Cook County Land Bank and Land Bank Best Practices

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Jones Lang LaSalle
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Author
Dominic Ozanne
SRED: 6020 Directed Research
Master of Sustainable Real Estate Development
Tulane School of Architecture
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1. Executive Summary

This paper focuses on the Cook County Land Bank and references other best practices of land bank operation. Land Banks, according to HUD, are defined as a governmental or non-profit entity that focuses on acquiring and converting vacant, abandoned, and/or foreclosed property into productive use. Following the 2008 foreclosure crisis land banks can be a good vehicle for acquiring and redeveloping foreclosed and tax delinquent real estate if they are well organized, self-funded, and supported by a well-planned legislative framework and cooperative public sector.

Throughout this paper I will reference Frank Alexander, an Emory Law professor, who is considered the nation’s leading expert on Land Banks. He is the author of *Land Banks and Land Banking* which serves as a guideline for establishing Land Banks. I will also reference Jim Rokakis, former Cuyahoga County Treasurer, who was integral in drafting the legislation that created the Cuyahoga County Land Bank. Lastly, another important figure I also had the pleasure of speaking with is Bridget Gainer. Ms. Gainer is the Commissioner of the 10th District of Cook County and has played a huge role in pushing the creation of the Cook County Land Bank. She currently serves on the Board of Directors for the Cook County Land Bank.

The goal of this paper is to give a brief history of America’s most successful land banks, discuss the Cook County land bank, and present ways that private developers can work with land banks.
Background on Cook County

Cook County, Illinois was created on January 15, 1831 by an act of the Illinois State Legislature. It has a population of approximately 5.3 million people, about half living in Chicago, and is America’s second largest county. In January 2013 the Commissioners of Cook County created a land bank, the Cook County Land Bank (CCLB) appointing Toni Preckwinkle as President and Bridget Gainer as Executive Director. The land bank is independent of the City of Chicago’s land bank.

The Financial Collapse and Cook County

The financial crisis and collapse of the mortgage market in 2008 devastated many urban areas. According to the US Census Bureau there were over 22,000 foreclosure filings in 2012 in Cook County (a 1.3% increase from 2011), nearly ten percent of the housing in units in Cook County are vacant, more than 85,000 foreclosure cases are pending in county courts, and the number of vacant properties is likely to increase.

Vacant properties are a huge liability in a community. They become breeding grounds for crime, hinder economic growth, weaken the tax base, and become a nuisance for the local government to maintain and secure. Frank Alexander calls the vacancy and foreclosure effect on surrounding neighborhood the “ripple effect” and cites the following as repercussions:

- Decreased property values of adjacent properties
- Decreased property tax revenues from nonpayment of taxes
- Decreased property tax revenues from declining property values of adjacent properties
- Increased costs of police and public safety for surveillance and response
- Increased incidence of arson resulting in higher costs of fire prevention
- Increased costs of local government code enforcement activities
- Increased costs of judicial actions

Mortgage foreclosures alone have been found to reduce property values within one mile of a foreclosure by 0.9% in value. The Center for Responsible Lending estimates that foreclosures of subprime loans that originated in 2005 and 2006 decreased the value of nearby properties by an average of $5,000. A detailed study of Chicago in 2005 revealed that each property abandoned prior to foreclosure imposes an average cost of almost $20,000 on the city, and when that property includes a building damaged by arson, the costs reach an average of $34,000.¹

In a presentation given by Bridget Gainer, Cook County Commissioner – District 10 in support of a vacant building ordinance (late 2011), she highlights statistics showing the impact vacant buildings can have in a city:

- **Decrease in property values** – (2001) Study in Philadelphia shows that homes within 150 feet of a vacant building experience net loss of $7,627 in value.
- **Increase in crime in vacant buildings** – Illegal activity was reported to the City of Chicago throughout the city’s 911 and 311 services in 7,157 vacant properties.
- **Increase cost to municipalities** – Over a 5 year period, the city of St. Louis, spent $15.5 MM or $100 per household on vacant buildings. Detroit spends $800,000 just to clean vacant lots.

¹ Land Banks and Land Banking – Frank Alexander, 2011
- **Increase in public nuisance** – According to the US Fire Administration more than 70% of fires in vacant buildings are arson related.²

**Cook County Foreclosure Demographics Since 2010**

A recent analysis of home foreclosures in Cook County, IL found that:

1) Since the start of 2010 over 92,000 housing units (72,000 residential properties) in Cook County fell into foreclosure. In this same time period, over 35,080 housing units (28,250 homes) were lost to foreclosure and became bank owned property in Cook County.

2) The nation’s five largest banks are responsible for three out of every five foreclosures in Cook County. Bank of America, Wells Fargo, JP Morgan Chase, Citi Bank and US Bank have together started foreclosure on over 42,000 homes in Cook County and have seized nearly 14,000 homes in foreclosure auctions.

3) Nearly half (48%) of all foreclosures in Cook County since the start of 2010 have been on home loans with prime-interest rates, evidence that the foreclosure crisis has spread beyond the initial victims of predatory subprime lending and has impacted a wider population of homeowners in recent years.

4) Cook County is home to numerous foreclosure “hot spots”. Nearly 27% of all Cook County residents live in a neighborhood where over the last 18 months, foreclosure activity has

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² [http://www.bridgetgainer.com/Cook%20County%20Vacant%20Building%20Ordinance%20Presentation.pdf](http://www.bridgetgainer.com/Cook%20County%20Vacant%20Building%20Ordinance%20Presentation.pdf) – Presentation given by Bridget Gainer to promote Cook County Vacant Building Ordinance
commenced on over 6.2% of neighborhood housing units, or a rate of more than one foreclosure per 16 homes. Furthermore, ten percent of Cook County residents live in a neighborhood that has experienced recent foreclosure on upwards of 8.7% of area housing units, or a rate equivalent to three or four homes in foreclosure per city block.

5) African American and Latino neighborhoods are the hardest hit by the foreclosure crisis with over two times the volume of foreclosures and three times the rate of bank-owned, foreclosed property occurring in Cook County’s primarily minority communities.  

**II. OVERVIEW OF LAND BANKS**

**First Generation of Land Banks—Atlanta, Cleveland, Louisville**

Cleveland (1976), St. Louis (1971), Louisville (1989), and Atlanta (1991), are considered the “first generation” of land bank programs. They were the first cities to adopt a land bank program that, at the time, fit the needs of their respective communities and fostered the conversion of tax-delinquent property with their own unique legal structure.

Land banks were conceptualized in the 1960’s in response to urban sprawl which was the shift of new development to expanding first and second tier suburbs, and a result of the decline and abandonment of inner city neighborhoods. Land banks were initially proposed as a type of “land reserve” where a public entity would acquire property and hold it in reserve for future public use. To fight against the growing inventory of abandoned tax-delinquent inner-city

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properties, land banks were proposed as a governmental entity to acquire and manage properties no longer accessible or desired by the market. The early land banks were created in response to the large number of abandoned properties rather than as a proactive reserve of land for future uses.⁴

Atlanta created one of the first land banks. Its purpose was solely to discharge taxes for specific owners and transactions, and then to transfer the property back to the developer. Atlanta’s land bank was not self-funding, nor did it have any independent authority to proactively engage in real estate transactions.

In 1976, the Cleveland Land Bank was seen as one of the top residential land bank operations in the country. This was because it was one of the first cities to address the problem of vacant and abandoned property and restoring them for neighborhood reuse. The Cleveland Land Bank took an aggressive approach by planning to redistribute all of its acquisitions within 15 years, and by heavily depending on the local CDC’s (Community Development Corporations) to purchase property and manage the land bank. At the time, their three year expedited foreclosure process worked well when combined with the land banks ability to cancel delinquent taxes on the acquired property. The old tax enforcement systems however, weren’t strong enough to protect against out-of-state investors purchasing low priced properties. The property inventory continued to grow within these systems because (1) tax liens exceeded the market value, (2) private investors snatched up tax foreclosed property with no plans for improvement or payment of back taxes, and (3) the properties that weren’t picked up were the

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⁴ Land Banks and Land Banking – Frank Alexander, 2011.
least attractive and most costly to maintain, which left the maintenance to the government who didn’t have the capacity to execute damage control.5

**Second Generation—Cuyahoga and Genesee County**

The “second generation” of Land Banks (Genesee County in Michigan - 2002 and Cuyahoga County in Ohio - 2008), learned from the successes and failures of the first generation of land banks. Genesee and Cuyahoga Counties receive attention because of the way they structured their initial legislation, mainly by making changes to the tax foreclosure system.

In 1999, the state of Michigan made significant changes to their tax foreclosure laws (PA 123). This legislation stopped the sale of tax liens to speculative investors in the private sector. It also allowed tax delinquent properties to be foreclosed in a single judicial proceeding. The Genesee County Land Reutilization Council (GCLRA) was created in 2002 as an inter-local agreement between Genesee County and Flint, Michigan. In 2004 (PA. 258), Michigan created the Michigan Land Bank Fast Track Authority which mandated that land banks in Michigan must be created by intergovernmental collaboration between the Authority and county (legal authority for tax foreclosures). This is where they get the current title of Genesee County Land Bank Authority (GCLBA). This unique structure gave the Land Bank the ability to acquire tax foreclosed property much faster than others and avoid the misuse that could result from auctioning a property to the private sector. The land bank employs specific practices, such as the demolition of homes that are abandoned and harmful, renovating and selling homes at

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5 Land Banks and Land Banking – Frank Alexander 2011
market rates, and greening and gardening of lots through the Clean and Green program. The
GCLBA has ten programs that include: Planning and Outreach, Brownfield Redevelopment,
Regular Development, Adopt-a-lot, Clean and Green, Demolition, Housing Renovation, Sales,
and Side Lot Transfer program. Funding comes from tax recapture sales, rental, grants, loans,
TIF’s, and bonds. The Brownfield Redevelopment Act (PA. 259) implemented Tax Increment
Financing (TIF) and allowed for any land bank property which was tax-foreclosed to have a
quieted title and become eligible for clean-up or demolition. The Brownfield Redevelopment
authority has secured over $8MM.

In 2009, Ohio passed Senate Bill 353 allowing the creation of the Cuyahoga County Land
Reutilization Corporation (CCLRC), the first county wide land bank in Ohio. One of the people
responsible for the writing and creation of the Bill was then county Treasurer Jim Rokakis. A
recent conference was held on February 7, 2013 by ULI (Urban Land Institute) Chicago to
discuss the passage of the Cook County Land Bank Ordinance which created the Cook County
Land Bank. At the conference, a point was made that Cleveland had a population of about
500,000 in year 2000 and has approximately 370,000 people today: the foreclosure crisis led to
a population decline and caused Cleveland to lead America in foreclosures at the time.

The Cuyahoga County Land Bank’s most important function is to clean toxic titles and
acquire property quickly, which could arguably be the best practice a land bank can adopt. You
can save time, money, and agony by quickly acquiring the property and immediately clearing
any titles, liens, and back taxes. Even though the Land Bank has the power to clear any back
taxes owed on the property it is still seeks a penalty, usually ten percent, and uses it as funding
proceeds for the land bank. Once titles are cleared and the property can sell for less, outside investors typically look to acquire property at a cheaper rate. Cuyahoga County Land Bank was way ahead of the investors, and established a Deed in Escrow program where the land bank sells the property, but hold the deed for nine months and only turn it over if a Certificate of Occupancy is in hand. To “stop the bleeding”, Mr. Rokakis stresses the importance of demolition and working with the private sector. Although demolition does not fix the problem, it is progress in the right direction. A standing vacant property does nothing for a neighborhood except attract crime and serve as an eye sore. There has been a submission to DC (House Resolution 4210 – Restore Neighborhood Act) to create a demolition tax credit. The private sector has been viewed as opposition in the land bank world, but with the right structure and teamwork, positive work can be accomplished.

The short list of challenges land banks face is financing, becoming overwhelmed with too much property, and politics, among others. Rokakis has been called on many times to talk about his experience with the Cuyahoga Land Bank as well as offer advice for good practices for the future. He is currently working in Cleveland, Ohio, for the Thriving Communities Institute which takes a region-wide approach to revitalizing northern Ohio's urban centers and helps transform vacant and abandoned property into new opportunity.

Land banks across the country generally have the same positive mission statement and seek to serve the primary goal of acquiring property, manage and maintain that property, and transfer the property or properties into productive use with the community’s best interest in
mind. Cuyahoga and Genesee Counties tend to be cited as best examples because of their overall complexity of legislation reform and challenges.

State land bank statutes allow for the creation of local land bank entities, often at the city or county level. The state statute does not actually create the land bank (with the exception of the Michigan Land Bank Fast Track Authority), but gives the county or city the means to create an ordinance to establish the Authority. A proper statute and a well-detailed Ordinance are key components to the success of a land bank.

Other Examples

The next scenarios, Baltimore, Maryland and Portland, Oregon, although have not established actual land banks, use good practices and strategies in returning land to productive use. Their practices were documented in a report called “Best Practices in Land Bank Operation” which can be found on the HUD website. It was prepared by The Great Lakes Environmental Finance Center for the Cleveland Department of Economic Development.6

City of Baltimore, MD

Maryland passed a state law in 1999 allowing Baltimore to exercise its right of eminent domain which is the power to seize private property without owners consent, to acquire vacant and tax-delinquent property. The City of Baltimore worked with local community partners (CDE’s/CDC’s) to rehabilitate dying neighborhoods. Although seen as a risky practice, the property is publicly auctioned. Community entities also work with Baltimore on the “Vacant

House Receivership Law”, where the court appoints the receiver of the property to bring it up to code requirements, sell it, and then use the proceeds to pay for improvements.

Baltimore has adopted two more programs that involve private sector interest: The SCOPE program and Project 5000. The SCOPE program stands for Selling City Owned Properties Efficiently, which is a partnership between the Baltimore Economy and Efficiency Foundation and the Baltimore Board of Realtors. The program allows realtors to sell property just like they would private properties, although each property acquired must be approved by city council before it can become part of the program. Realtors receive a commission for the sale and the city receives a market rate price for the home. Project 5000 is coordination between the mayor’s office and the Office of Acquisition and Relocation, where (in 2003-2005 for example) they acquired 5,000 vacant, abandoned, or tax-delinquent/foreclosed homes. The city put together a task force called Property Disposition Task Force, where several governmental departments work together to shorten acquisition time and review each of the properties on a case-by-case basis in hopes to sell. The city received pro-bono legal support on this program from Baltimore lawyers who helped clear title on these questionable properties, saving much time and an estimated $5MM in litigation. The for-profit and non-profit developers in the Baltimore area were credited for taking advantage of the state Historic Tax Credit to help subsidize the cost of rehabilitating historic neighborhoods.

This collaboration between entities and programs has been successful. Arguably, with properly written legislation and a proper land bank authority, Baltimore could consolidate these entities and efforts into a single, organized force. And although Baltimore did not implement a
land bank, they proved there are other successful alternative measures to consolidate and rehabilitate vacant and abandoned property.

**The Portland (Oregon) METRO**

The METRO is a regionally elected governmental entity composed of a council president and six regional councilors representing 2MM people in Oregon (3 counties and 25 cities). The METRO is in charge of land use, transportation planning, environmental protection, recycling, and garbage, among other responsibilities. This system is not a land bank, but, it is recognized because of their use of Portland’s technology in planning and managing vacant land. The METRO has a GIS mapping system called RLIS (Regional Land Information System) that uses tax lots as a foundational structure to the system. Every year METRO purchases aerial photos of the entire region, interprets the images, and identifies and stores the tax lots that exist. The land is put into three categories: vacant, partly vacant, or developed. Once the system is updated, the available parcels are displayed on a region-wide database that gives developers and the government easy access to the available land.

This RLIS database becomes integrated into a very new piece of planning technology called the urban activity simulation model or MetroScope. MetroScope allows METRO to simulate future planning scenarios, transportation needs, land availability, long range costs, and environmental restrictions.
The Twin Cities Community Land Bank, LLC is unique in that it is a non-profit Community Development Financial Institution and a Limited Liability Corporation. It was established in 2009 by the Family Housing Fund which is a nonprofit company that seeks to produce and preserve affordable housing in Minnesota. TCC Land Bank includes the cities of Minneapolis and St. Paul, and their seven surrounding counties. It partners with the National Community Stabilization Trust, a national nonprofit that helps communities access solutions to rebuild neighborhoods, to acquire and transfer distressed property to approved developers. TCC Land Bank will hold properties for short or long periods of time and provide property maintenance according to a set agreement, which is another form of income. This land bank is also involved in community lending. Being a CDFI, the land bank may or may not collaborate with other organizations to provide loans and grants to finance development projects. The land bank’s board of directors is comprised of representatives from the government, nonprofit, and financial organizations.

These entities, whether they have adopted formal land banks or a similar system, serve to return distressed property into productive use. The first generation of land banks, Genesee County Land Bank, Cuyahoga County Land Bank, the City of Baltimore, Portland METRO, and Twin Cities Community Land Bank, LLC, all have positives and practices that a future land bank can learn from.

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**Analysis/Summary of Best Practices**

Based upon the experience of the three generations of land banks below are some examples of best practices in land bank operation:

- Land bank policies must have a narrow focus in goals and objectives for vacant land reuse. This will eliminate conflicting land use goals across multiple departments within a city and partnering organizations.

- An expedited judicial foreclosure process is a key component in any land bank operation. It requires a finding of both tax delinquency and code violations to move through a “fast track” approach.

- An independent legal entity separate from the government approving authority is a key to long-term success. Land banks that are separate from the city authority have more control and authority in operations as long as there is no political interference in the management of the process.

- Land banks must use technology to consolidate and maintain current web access to property size, location, ownership, purchase date, price, tax delinquency, permits, holds, zone, etc. Philadelphia’s use of economic modeling is a good example of how to make technology advantageous to the process.

- Cities and counties establish a way to work across jurisdictions effectively. The Cuyahoga Land Bank maintains MOU’s (memorandums of understanding) with multiple...

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jurisdictions throughout the county. It frames the partnership between the county and
the cities establishing rules for property management, demolition, notices, and future
use of property.

- Streamlining the eminent domain process has worked for Baltimore using the “quick
take” legislation that Maryland put into existence in 1999. This allows Baltimore to
acquire property that is unoccupied, uninhabitable, two or more years delinquent,
property that is unfit for human habitation, where rehab costs exceed market value, and
where vacant lots have formed resulting from demolition.

- Multiple sources of funding. Government funds, tax recapture, foundations, TIF, etc.
  Twin Cities collects interest and fees received on loans.

- Develop a public/private partnership. This can be used to fund and manage renovation,
  leasing, and other forms of property management.
  - Twin Cities uses a technique where they only work with an approved list of
    contractors, developers, rehabbers, to maintain, rebuild, and demolish land
    banked property.

- Restructure the delinquent tax sale process. Streamlining tax foreclosure processes
  keeps speculators and outside investors from playing the “flipping game”, and helps
  land banks directly acquire high and low market value tax-delinquent property.

- Land banks should be able to buy, sell, rent, develop and manage real estate alone or in
  partnership with the private sector to generate operating funds and support
  transactions.
III. THE COOK COUNTY LAND BANK – THIRD GENERATION

The summary and structure of the Cook County Land Bank can be found in the Ordinance Creating the Cook County Land Bank.

“The purpose of the Ordinance is to create the Cook County Land Bank Authority that will use available resources to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use thereby combating community deterioration, creating economic growth and stabilizing the housing and job market.

The Land Bank will acquire, hold, and transfer interest in real property throughout Cook County as approved by the Board of Directors for the following purposes: to promote redevelopment and reuse of vacant, abandoned, and tax delinquent properties; support targeted efforts to stabilize neighborhoods; stimulate residential, commercial and industrial development; all in way that are consistent with goals and priorities established by the Ordinance, local government partners and other community stakeholders.”

A board of directors that will be appointed by President of Cook County and subject to approval by the Cook County Board of Commissioners will govern the land bank. The Board of Directors must reside in Cook County. The Board will consist of members from the public and private sector with expertise in finance, real estate, and commercial development.

Timeline of Activity for Cook County Land Bank:

February 12, 2012 – Cook County Vacant Building Ordinance. The ordinance requires that vacant property in unincorporated Cook County be registered. Owners of a building that has
been vacant for more than 30 days in an unincorporated area must register the building with

Cook County Building and Zoning (B&Z) Department.\(^9\)

**June 2012** – Cook County Land Bank Proposal. Cook County land bank district members, board, and president developed Land Bank concept and proposal. Led and written by Bridget Gainer.\(^10\)

**December 19, 2012** – President Toni Preckwinkle and Commissioner Gainer introduce legislation creating the Cook County Land Bank Authority. It was stated that a public meeting will be held on the proposed ordinance on January 15, 2013.\(^11\)

**January 15, 2013** – ULI hosted a public meeting discussing the creation of the Land Bank Ordinance and the vision for the Cook County Land Bank.

**January 16, 2013** – The Cook County Land Bank Ordinance was established creating the largest Land Bank in the nation.

**February 8, 2013** – President Preckwinkle names Cook County Land Bank Board of Directors which will oversee the work of the Land Banks efforts to return vacant properties to productive use. They will have monthly meetings to discuss progress.

**March 27, 2013** – First meeting of the Cook County Board of Directors. (website dedicated for the Land Bank was established, [www.cookcountylandbank.org](http://www.cookcountylandbank.org)).

**April 25, 2013** – Second meeting of the Cook County Land Bank Authority.

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Anticipated Private Sector Roles

The private sector, in conjunction with land banks, serves to provide the expertise that the public sector can’t, among other means of support. To reiterate what Rokakis stated, partnering with the private sector and the real estate community is a must.

Professor Frank Alexander has specific commentary regarding private sector roles in his guide, Land Banks and Land Banking. He highlights in the last section of Chapter 8:

“Land Banks are unusual entities in that they occupy a special role in the public sector designed in large measure to support and facilitate activity in the private sector.

Land Banks face even more difficult challenges because they normally do not get to select the properties placed into their inventories. They are the involuntary owners of large number of scattered parcels of property that appear – at least to the private market – to have no value or productive use. A Land Bank must be able to manage and develop properties in ways that equal if not exceed the private market itself. Such a range of responsibilities and skills is rarely found in any other public agency at the local government level.

Most Land Banks operate with few agency resources available and find the necessary expertise in one of two ways. One approach is to enter into operating and management contracts with private entities for demolition activities, property maintenance or property management. Ownership by a Land Bank of occupied residential or commercial properties is particularly conductive to third-party management contracts. A second approach is to create joint ventures between a non-profit community development corporation and for-profit real estate developers.

Faced with general economic market failures and public barriers to land transfers, Land Banks are required to serve as this unique bridge between public and private roles.”

The key points made from the collection of Frank Alexander’s comments are where he talks about finding expertise. One way is “to enter into operating and management contracts with private entities for demolition activities, property maintenance or property management”.

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12 Land Banks and Land Banking – Frank Alexander (June 2011).
Going back to practices and examples, Jim Rokakis speaks about “stopping the bleeding” by demolishing properties and has even sought to submit a bill to Washington that would create a demolition tax credit. The Cuyahoga County Land Bank is still attempting to connect with the private sector for demolition of these properties, but funding is an issue. Another example is the city of Baltimore. As mentioned earlier and although not an actual land bank, Baltimore has formed a SCOPE program which is an agreement with the realtors in the area. The realtors in Baltimore manage the property and market the city owned property as they would private property. These are both examples of seeking and entering into agreements with the private sector.

The second approach, “to create joint ventures between non-profit community development corporations (CDC) and for-profit real estate developers” seems like the most logical solution. A land bank has the potential to hold land as well as the power to receive grants and borrow money for long term funding. This makes them a key contributor to a joint venture with a CDC (who has the local communities best interest) and a for-profit real estate developer (entity with expertise).

When the ordinance creating the Cook County Land Bank was passed, there were many letters of support from members of the public and private sector. Some of the private sector letters came from Chase Bank, Bank of America, Brinshore Development LLC, KPMG LLP, and Axia Development, among others. Whether or not these entities are sincere in working with the Cook County Land Bank, the land bank clearly has their attention.
Funding Structure

Around July 2012, a Cook County Land Bank Proposal was put together by Bridget Gainer, which assisted in the establishment of the Cook County Land Bank. In that document she describes hopeful sources of revenue for the Cook County Land Bank. I had the pleasure of speaking with her on the phone about possible sources of funding, and her comments were closely matched to what she wrote in her proposal. A large portion of the initial funding would come from the Illinois Portion of the National Attorney General Mortgage Settlement, the money set aside for mortgage foreclosure relief has been underutilized and although directed to individuals, if applied to creating sustainable infrastructure to address the foreclosures and vacancies from the mortgage crisis it will stabilize the Cook County real estate market for the next generation. The proposal is asking for $15MM from the National Attorney General Mortgage Settlement evenly over the course of three years. Other hopeful sources would be grants from the land banks non-profit/governmental status.

As far as long term revenue, the proposal is hoping to establish a self-sustaining model which would keep a continuous flow of income in the following ways:

- Land sale revenue generated when the land bank can sell property for a profit. Acquire property at market value and from donations (only after research).
- Participate as a developer or co-developer on projects in target redevelopment areas, hopefully receiving a 7% - 20% developer fee. Also, become an equity partner on some projects to make return and possibly receive buy-out cash.
- Tax increment financing for properties transferred to new owners.
- Foundation grants on specialized projects/programs.
- Federal grants.
Funding is a challenge with anything. Rokakis states that some of the sources the Cuyahoga Land Bank sought for funding were from delinquent tax penalties, hopeful funds from the Hardest Hit Fund, or Mortgage Foreclosure Relief, and hoping Senate Bill 4210 (creating Demolition Tax Credits) gets passed which would subsidize demolition costs. The only steady funding source was the collection of the delinquent tax bill. Example, a $1,000 bill with a 10% penalty assessed comes to $1,100. The land bank would take half of the penalty ($50) and put it towards the proceeds.

IV. RECOMMENDATIONS FOR ENSURING SUCCESS OF CCLB THROUGH PUBLIC PRIVATE PARTNERSHIPS

These are my recommendations for roles for private sector partners in public private partnerships with the Cook County Land Bank:

1. Develop a plan to redevelop residential and commercial properties by dividing Cook County into residential and commercial zones using technology like decision support models and GIS maps. Take from the Portland system as well as others that use modern technology to organize the land. (fee based consulting).

2. Develop a plan to provide public and private sector assistance to homeowners seeking to acquire or redevelop their own properties (fee based consulting).

3. Manage the demolition of vacant homes and the construction of new or rehabilitated homes for the Land Bank (fee based construction management).
4. Joint venture with the Land Bank to develop specific properties and charge a developer fee.

5. Manage the property acquisition, rental, maintenance, and collection of penalties, interest, and delinquent taxes for the land bank (% of collections and management fee).
BIBLIOGRAPHY


EXHIBIT A
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<tr>
<th>County Land Bank</th>
<th>Ordinance/Rule</th>
<th>Year Started</th>
<th>Acquire Property</th>
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<td>Ga. Code Annotated sec. 48-4-60 to 48-4-65</td>
<td>1991</td>
<td>yes</td>
<td>yes for end user</td>
<td>local govt. funding, no money from operation</td>
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<td>2009</td>
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<td>Minnesota Statutes Section 282.241</td>
<td>2009</td>
<td>yes for approved developers</td>
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EXHIBIT B
2012

Cook County Land Bank Proposal

Implementing and Creating a Cook County Land Bank

Bridget Gainer
Commissioner
Cook County Board
Tenth District
118 North Clark Street
Chicago, IL 60602
Info@BridgetGainer.com
www.BridgetGainer.com
Creating & Implementing a Cook County Land Bank

Introduction

Below is a proposal to establish and implement a Cook County Land Bank. This new entity as proposed does not require State action; the powers enumerated below are established in existing State statute regarding home-rule authority. It is possible there might be a desire to procure additional authority from Springfield in the future, but the process can begin without legislative approval. This will give governments another tool to address current vacancies and the coming tidal wave of vacant buildings in our future. There are 85,000 foreclosure filings pending in the Circuit Court of Cook County, up from 15,000 ten years ago. 90% of these filings end in default judgments. Banks and servicers have begun to release liens with greater frequency and these additional vacant and abandoned homes, for which there is no longer an accountable party, will create unprecedented strain on a market that has already reached is saturation point with foreclosures.

In addition, the recent national Attorneys General settlement has created discussion within FHFA, many large banks and servicers about turning over real estate owned properties to private investors in the hopes of creating single family rentals. Before we turn hundreds of private investors, who may have no knowledge or interest in the planning or redevelopment needs of local communities, into landlords we need to seize this critical planning moment to create an infrastructure that is sustainable, local and will operate with the best interest of our communities as its singular priority. A land bank can aggregate unrelated parcels, thus managing the present while planning for the future. If we don’t act now, the ability to comprehensively plan, redevelop and even rescue communities will pass us by.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. Instead of each level of government layering demolition, rehab, rental or disposition programs on top of each other without leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive and sometimes sweeping planning for reuse.
CORPORATE STRUCTURE

Under Illinois law, a home-rule unit of government “may exercise any power and perform any function pertaining to its government and affairs.” Based upon our analysis of Illinois law, it is our opinion that such power extends to the creation of an agency or authority to perform land bank functions. Further, such an entity could be created jointly by a home rule government and any other home rule or non-home rule government under the Illinois Intergovernmental Cooperation Act (see complete legal analysis in the addendum to this memorandum).

The initial policy determination to be made is whether the formation of a Cook County Land Bank will be done unilaterally by the County or in conjunction with the City or other municipalities under the Intergovernmental Cooperation Act. It should be noted that there is no requirement as to the degree of cooperation to be exercised by such an agreement. An agreement, for example, could be limited to an agreement to include an appointee of one or more municipalities to the governing board of the agency or authority being contemplated.

The value of such an entity is that while it derives its authority from the municipality or a municipality forming the entity, the organization itself operates outside of government, providing it with the ability to function in a far more agile manner than a municipal government would typically be able to do. In particular, when dealing with the disposition of real estate, it is critical that property is made available to the market on terms more familiar to private developers. The development of a land bank under this structure would allow for such flexibility in acquisition, management, redevelopment, and disposition of properties.

ADMINISTRATIVE STRUCTURE

Governance

The governance structure of the land bank will likely involve a Board of Directors charged with the development of the mission and vision for the organization. The board will set policies for acquisition, disposition and management of properties, the consideration due for properties, as well as other governing polices to guide the staff in daily operations. In addition, they set the direction for the staff by establishing annual goals and programming strategies.

As a quasi-public organization, the most successful land banks have been comprised of individuals representing the broad range of relevant interests. Most existing land banks throughout the country have a board that is comprised of both elected officials and subject matter experts. For example Cuyahoga Land Bank has 9 total members with six elected officials and 3 experts. Lucas County Land Bank has 9 total members with 5 elected officials and 4 experts. The Genesee County Land Bank’s entire board of 7 members is comprised of elected officials.

The Cook County land bank could consider involving some or all of following:

- Cook County Board President; Head of Economic Development and Capital Planning or designee
- Mayor, City of Chicago; Commissioner of DHED or designee
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- Executive Director or designee, Illinois Housing Development Authority
- Chair of the Cook County Real Estate Committee or other member of the Board of Commissioners
- Chair of the City of Chicago Economic Development Committee or other member of the City Council
- Chairman or designee, Executive Boards of South Suburban Mayors an Managers; Northwest & West Central Municipal Conference and or the Metropolitan Mayors Caucus
- Chairman, Neighbor Space or like organization
- Executive Director, Housing Authority of Cook County
- Executive Director, Neighborhood Housing Services or other such organization

An Advisory Committee may also be formed to enhance the outreach and communications activities of the Land Bank. The Advisory Committee can consists of other community members that help 1) ensure the programs of the land bank are meeting the needs of the communities 2) market the programs of the land bank 3) inform the development of policies of the land bank that align with the community’s values; 4) provide feedback from the community back to the land bank and 5) identify possible collaborative opportunities for the land bank. The Genesee County Land Bank has utilized an Advisory Committee effectively since its inception in 2002. Their Advisory Committee is appointed by the City Council members in the city of Flint and each county Commissioner. This ensures that the Advisory Committee geographically represents the entire county.

The Land Bank may choose to enter into agreements with individual municipalities that specify how the land bank will operate within that jurisdiction. These agreements often will document when the community shall require specific input prior to the disposition of properties within their municipal boundaries. These agreements provide assurance that the community’s land use goals are considered in the property disposition decisions of the land bank.

**Staffing**

It is expected that the Land Bank will rely largely on existing capacity of local government and other organizations, in some cases augmenting such capacity through contractual relationships. The initial direct staff of the Land Bank will likely consist of an Executive Director selected by the Board of Directors to execute the mission of the organization and coordinate between the governments, banks and real estate community. Administrative staff will be engaged as needed and in year two of operations, the Land Bank would expect to have activities such that a second professional staff will be needed to assist in managing the Land Bank programs.

As mentioned previously, the land bank may contract for some of its programmatic functions, including land use planning, project management of demolition and rehabilitation projects, property inspections, and property management. Utilizing existing capacities within the community benefits the land bank, as it is more efficient and effective than hiring additional
staff, as well as providing additional sources of revenue and enhancing the capacity of such organizations in pursuit of their respective missions.

**PROGRAMMING AND INVENTORY**

*Initial Programming*

The Land Bank will ultimately develop a range of programs that it will operate or participate in as a partner. In the initial phase, however, will focus on three programs to address neighborhood stabilization and establish a sustainable revenue source for the land bank: 1) demolition; 2) scattered-site single-family rental; and 3) property maintenance.

1) The demolition of blighted properties can have a huge impact on neighborhoods. Blighted properties are expensive for communities. They require more government services such as fire and police, and also drive down property values (and the tax base) of surrounding properties. These buildings impact the marketability of the neighborhood, making it difficult to attract responsible land owners attracting low-end speculators. In response, the land bank will accept blighted properties from the bank either before or after actual foreclosure and demolish the properties to hold for future land use opportunities.

2) There is an unmet need for quality single-family rentals in Cook County. The Land Bank will address that need by creating a single-family scattered site rental program. In addition to meeting the demand for quality single-family rentals, this program will address the supply/demand dysfunction in many communities. Reducing the number of homes for sale, especially in weak markets, will help increase or at least stabilize the value of the properties in the for-sale market. This type of inventory will likely be acquired from financial institutions’ pre-foreclosure supply. The properties are projected to require rehabilitation to increase the quality of the home. The Land Bank will outsource the management of the rehabilitation, as well as, the on-going property management of the rental properties.

3) Land Banks across the country have developed innovative maintenance programs that can go beyond protection of inventory to benefitting the community. Programs range from simple mowing, boarding and fencing by contractors to engaging community groups and formerly incarcerated individuals to helping maintain the properties. For properties identified to be held over two years, the Land Bank will consider intermediate land uses such as community gardens or urban agriculture. There are several types of landscaping treatments that are visually pleasing but do not require weekly mowing. These will be considered as a way to manage the cost of maintenance.

**Property Inventory**

The initial property inventory will primarily be sourced from REO donated or otherwise conveyed by financial institutions, FHFA, servicers and others as well as city and counties excess public land inventory. Initial discussions with representatives of three large financial
institutions have addressed up to 1,000 properties readily available for land bank acquisition. It’s vital the Land Bank limit initial inventory to levels for which it has secured funds and capacity to properly manage. In some instances, the Land Bank may only want to accept donated properties or mortgages if they are accompanied by funds for foreclosure, demolition and/or general clean-up and maintenance.

The Cook County Land Bank must complete an analysis on the types of properties it acquires to ensure a balance of revenue generating properties against those that may be held in a more dormant condition for a longer periods of time.

Finally, prior to acquiring any properties, the land bank should make sure it has a system in place to track and manage its inventory of real estate. It is vital to understand all variables related to Land Bank inventory at all times.

**SOURCES OF REVENUE**

*Initial funds*

The Cook County Land Bank has an initial budget that projects revenues of $5,385,000 (see below). The initial start-up funds could be secured from several sources. A possible source for start-up is an allocation from Illinois portion of the National Attorney’s General Mortgage Settlement. A $15 million allocation from this source to cover the start-up phase of the land bank over a three year period would allow the land bank the initial capital and time to build programs that produce a sustainable revenue stream. While most settlement funds will be directed to individuals, dedicating some funds to the creation of a sustainable infrastructure to address the foreclosures and vacancies resulting from the Mortgage crisis will insure the settlement pays dividends to the stability of the Cook County real estate market for the next generation.

Land banks are typically eligible for foundation grants due to their non-profit corporate structure or governmental status. In its formative stages and while initially developing operational capacity, the land bank may need to rely upon foundation grants for general operating costs. Such grant funding would allow the land bank to build its capacity to operate programs that will potentially generate ongoing financial resources to support the programs of the land bank.

Finally, in-kind support is often essential for the initial formation and start-up phase of any land bank organization. Possible stakeholder partners may include County, local governments, Metropolitan Planning Commission, community development corporations, neighborhood associations and other partners.

*Long term revenue*

While initial revenue may be in the form of non-recurring grants, the model for a land bank or redevelopment corporation is to become self sustaining with their own revenue sources. Potential long-term revenue sources include:
1) Land sales revenue generated when the land bank authority is able to sell properties for greater than their acquisition cost. Land banks are able to acquire property at no cost or below market value in a variety of ways. First, land banks are able to accept donated land. Property owners (including banks) may want to donate their land for the tax benefits or even to relieve themselves of the maintenance obligations for the property. It is advisable that the land bank conduct proper due diligence prior to accepting donated property.

2) Land bank participation as a developer or co-developer in real estate development projects in targets redevelopment areas. As a result of these development projects, the land bank may generate a developer’s fee ranging from 7% to 20% of project costs. In cases where the Land Bank determines it will remain involved in a project as an equity partner, it may receive a reasonable rate of return in the form of cash flow and/or eventual buy-out.

3) Rental income from commercial and residential tenants. A rental program is both necessary and desirable in an economy such as ours with severe credit constraints. Further, the provision of quality rental properties to the market is vital to any stable real estate market, and it fits with the overall mission of the land bank.

4) Tax increment revenue for land bank properties that are transferred to new owners. Under Michigan law land banks receive 50% of the specific tax generated on all properties that are sold by the land bank for five (5) years succeed the transfer of the property. In Ohio, the county treasurers have the authority to assess up to 5% additional fee on tax delinquent properties to fund land banks. Illinois may choose to consider a similar type of legislation to help create a sustainable revenue source for its activities.

5) Foundation grants are identified as a long-term revenue source to fund certain land bank programs and projects. For example, a foundation may be interested in funding beautification projects, community outreach programs, intermediate land uses or research.

6) Federal grants can be used to for some land banking activities. Both HUD and EPA often offer grants programs that fit perfectly into land bank programming. These types of funds should not be considered as sustainable funding, but more as augmenting the stable funding sources. Many land banks are recipients of CDBG or HOME funding, based upon the state or local government decisions regarding distribution of those federal funds. Several land banks have received EPA funds for environmental assessment and clean up, in addition, to the EPA received by local municipalities.
**BUDGET**

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<th>Year 2</th>
<th>Year 3</th>
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<th>Year 2</th>
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<tr>
<td>Salary &amp; Fringe</td>
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Budget Assumptions:
Salary and Fringe:
  YR 1: one full-time ED and a part-time assistant
  YR 2: one full-time ED, one full-time specialist, and a part-time assistant
  YR 3: one full-time ED, one full-time specialist, and a part-time assistant

Contractual Services include:
$36,000  Book Keeping and Compliance
$50,000  Inspections
$12,000  Payroll
$75,000  MPC Services
$75,000  Development Consultant
$248,000

Professional Services include: Legal and Audit

Property Maintenance Assumes:
  YR 1: 50 properties at $1,500 and 2,250 properties at $250
  YR 2: 50 properties at $1,500 and 2,250 properties at $250
  YR 3: 75 properties at $1,500 and 2,400 properties at $250

Sales:
  YR 1: Assumes 75 properties at a $2,000 average profit
        10 properties at a $10,000 profit
  YR 2: Assumes 75 properties at a $2,000 average profit,
        15 properties at an average $10,000 profit
        30 at a $20,000 average profit
  YR 3: Assumes 100 properties at a $2,000 average profit,
        20 properties at a $10,000 profit and 30 at a $20,000 average

Rental:
  YR 1: Assumes 75 properties at a $1,800 average net profit
  YR 2: Assumes 100 properties at a $1,800 average net profit
  YR 3: Assumes 150 properties at a $1,800 average profit

Rehabilitation
  YR 1: 50 properties at $35,000 per property
  YR 2: 65 properties at $35,000 per property
  YR 3: 65 properties at $35,000 per property

Demolition
  YR 1: 215 properties at $8,500 per property
  YR 2: 230 properties at $9,500 per property
  YR 3: 205 properties at $10,000 per property
TIMEFRAME

The Land Bank is projected to be formed with a Board of Directors appointed by July 2012. The staff will be hired once funding is secured.
Addendum

Existing Illinois Law Governing Land Banking

Introduction

This memorandum discusses the application of Illinois state law to land banking. The memorandum begins by reviewing the law governing the ability of a local government to engage in land banking activities either through the local government, a separate municipal entity or an intergovernmental agreement. The memorandum then addresses how such governmental structures could be used to exercise the powers needed to acquire, maintain and dispose of property. Finally, the memorandum discusses mechanisms for raising the revenue necessary to fund land banking activities.

Structures

The legal building blocks of any government created entity engaged in land banking are derived from municipal state law. The Illinois Constitution provides the basic blueprint for municipal power in Illinois. Under the Illinois Constitution, a “county which has a chief executive officer elected by the electors of the county and any municipality which has a population of more than 25,000 are home rule units.” Ill. Const. Art. VII Sec. 6(a). Such a home rule unit of government “may exercise any power and perform any function pertaining to its government and affairs.” Ill. Const. Art. VII Sec. 6(a). The Illinois General Assembly, however, may limit the authority of home rule units by a vote of three-fifths of its members. Ill. Const. Art. VII Sec. 6(g). In addition, the General Assembly may limit the authority of home rule units by explicitly providing for the State’s exclusive use of a particular power. Ill. Const. Art. VII Sec. 6(h; i). Non home rule counties and municipalities, on the other hand, generally “have only powers granted to them by” state law. Ill. Const. Art. VII Sec. 7. The Illinois Constitution does itself grant non home rule units of local government a small list of initial powers, including the power to incur debt. Ill. Const. Art. VII Sec. 7.

In addition to setting forth the separate powers of units of local governments, the Illinois Constitution encourages intergovernmental cooperation to leverage those powers. Ill. Const. Art. VII Sec. 10. The Illinois Constitution specifically allows that

[u]nits of local government and school districts may contract or otherwise associate among themselves, with the State, with other states and their units of local government and school districts, and with the United States to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or by ordinance. Ill. Const. Art. VII Sec. 10(a).

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1 This analysis excludes land banking structures that rely on not for profit entities. Illinois law does allow for the creation of not-for-profits that could conduct some of the core land banking functions. 805 ILCS §105.
Cook County Land Bank Proposal

Further clarification of the expansiveness of this power is provided by the Illinois Constitution’s directive that units of local government may enter into such contracts “in any manner not prohibited by law or by ordinance.” Ill. Const. Art. VII Sec. 10(a). The Constitution also clarifies that local units of government participating in such intergovernmental agreements “may use their credit, revenues, and other resources to pay costs and to service debt related to intergovernmental activities” and that “[o]fficers and employees of units of local government and school districts may participate in intergovernmental activities … without relinquishing their offices or positions.” Ill. Const. Art. VII Sec. 10(a; b).

Building on the Illinois Constitution, the Illinois Intergovernmental Cooperation Act (5 ILCS §220) provides a broad framework for any units of local governments, including both municipalities and counties, to enter into intergovernmental agreements. Pursuant to that act units of local government may enter into “an intergovernmental agreement which includes provisions for a governing body of the agency created by the agreement.” 5 ILCS §220/2. Such an agreement that includes a government body creates a “public agency” that may exercise “[a]ny power or powers, privileges, function or authority” exercised by a unit of local government that is party to the agreement. 5 ILCS §220/3.

Cumulatively, these constitutional provisions “abrogate” the traditional Dillon’s Rule “of strictly construing legislative grants of authority to local governments: in cases “when local governments voluntarily cooperate to share services on a partnership or joint venture basis” Connelly v. Clark County, 307 N.E.2d 128, 131 (Ill. 1973). Further, when read together, the constitutional and statutory law allows each unit of local government that is party to an intergovernmental agreement to exercise the powers and privileges of the other because “[t]he agreement is valid so long as either [unit of local government] has the right to undertake the task required under the agreement.” County of Wabash v. Partee, 608 N.E.2d 674, 679 (Ill. App. 5 Dist. 1993). This is not “subterfuge” because “the purpose of section 10 of article VII of the 1970 Constitution is to allow a local government to do indirectly that which it cannot do directly, as long as it is otherwise lawful.” Id.

These structures lend themselves to a number of possible mechanisms for local governments in Illinois to engage in land banking under existing Illinois law. First, any individual unit of local government could use their home rule or non home rule powers to engage in land banking activities under existing local government structures, such as through department of housing. Depending on the need and desire for a separate agency, even without an explicit state statute, a unit of local government could separate the contemplated land banking functions into its own department.

Also, home rule units of local government could create separate land banking authorities. Such authorities would have the powers granted to them by the units of local government and would have a governing structure specified by local law. Non home rule units of local government could not create such an agency without an explicit grant of such authority by the Illinois General Assembly.
Finally, the breadth of the Illinois Intergovernmental Cooperation Act would allow units of local governments to enter into intergovernmental agreements to create a separate public agency to engage in land banking. Moreover, by entering into such agreements these units of local government could leverage the powers and staff of each unit of local government to more aggressively engage in land banking.

Acquisition

Depending on the structure chosen, entities engaged in land banking may have different powers to acquire, maintain and dispose of properties. Focusing first on acquisition, home rule units of local government can acquire properties in any numbers of ways, including, but not limited to, by donation and private market purchase. The major limitation imposed on home rule units of local government in the acquisition of property comes from the restrictions on the use of eminent domain. 735 ILCS §30. The Eminent Domain Act (735 ILCS §30) expands on the Illinois Constitution’s injunction that “private property shall not be taken or damaged for public use without just compensation as provide by law.” Ill. Const. Art. I Sec. 15.

Non home rule counties have a broad grant of power from the State of Illinois “[t]o purchase and hold the real and personal estate necessary for the uses of the count[ies].” 55 ILCS §5/5-1005. The power of non home rule municipalities to acquire property is much more circumscribed than that of non home rule counties under Illinois law. Illinois law does grant non home rule municipalities the broad power to “define, prevent and abate nuisances.” 65 ILCS §5/11-60-2. This nuisance power has typically been used to justify the passage of ordinances that prevent nuisances by regulating certain activities and abate nuisances by allowing liens on certain properties when a municipality performs certain activities. There is no clear law on whether the acquisition of problem properties would qualify as nuisance abatement. To date the nuisance authority has been considered “a broad grant of authority” and “nuisance ordinances have been held to be invalid only when the municipality’s determination of what constitutes a nuisance is clearly erroneous.” Vill. of Sugar Grove v. Rich, 803 N.E.2d 525, 531(Ill. App.2 Dist. 2004). Certainly in some circumstances acquiring property might help a municipality prevent or abate a nuisance. And, of course, in the long-term sense most, if not all, of the acquisition done by a land bank would have to do with improving the economic prospects of the community. On the other hand, certain property acquisition strategies employed by a land bank may seem more focused toward long-term site control and economic development than the direct abatement of a nuisance.

In addition to this nuisance power, non home rule municipalities have the power to acquire a property “which is necessary or appropriate for the rehabilitation or redevelopment of any blighted or slum area or any conservation area.” 65 ILCS §5/11-11-1. Under the statute, “blighted or slum area” means any area where buildings or improvements, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, deleterious land uses, or any combination of these factors, are a detriment to public safety, health or morals, and an area of not less in the aggregate than 2 acres has been designated by
ordinance or resolution as an integrated project for rehabilitation or redevelopment. 65 ILCS §5/11-11-1.

Similarly, under Illinois law “conservation area”

in municipalities with a population of over 500,000 shall mean an area of not less than 40 acres, and in other municipalities shall mean an area of not less than 2 acres in which the structures in 50% or more of the area are residential having an average age of 35 years or more. Such an area is not yet a slum or blighted area as defined in the Blighted Areas Redevelopment Act of 1947, but such an area by reason of dilapidation, obsolescence, deterioration or illegal use of individual structures, overcrowding of structures and community facilities, conversion of residential units into non-residential use, deleterious land use or layout, decline of physical maintenance, lack of community planning, or any combination of these factors may become such a slum and blighted area. 315 ILCS §25/3.

Aside from the acreage descriptions, it is possible imagine many of the areas where a non home rule municipality might want to engage in land banking meeting the definition of blight or slum area or conversation area.

In addition to acquiring properties through purchase in these limited situations, all municipalities may “acquire by gift, legacy, or grant any real estate or personal property, or rights therein, for purposes authorized under [the Illinois Municipal Code] as its governing body may deem proper, whether the land or personal property is located within or outside the municipal boundaries.” 65 ILCS §5/11-61-1.5.

Aside from acquiring properties directly through acquisition, units of local governments may acquire properties indirectly through the tax sale process. The tax sale process in Illinois, as in most states, is a complex and often antiquated process. The process begins when an individual property owner does not pay property taxes on a property in a given year and the property taxes on that property are sold at the relevant county's annual tax sale. 35 ILCS §200/21-190. At the annual tax sale bids are made in an auction style format where bidders pledge to pay the full value of the outstanding property taxes immediately. 35 ILCS §200/21-215. A winning bidder will be the person at the auction “offering to pay the amount due on each property for the least penalty percentage” (interest rate) although “[n]o bid shall be accepted for a penalty exceeding 18%.” 35 ILCS §200/21-215.

If there are no bids made on a property at the annual tax sale, the property will be offered at the county’s scavenger sale that must take place at least every two years. 35 ILCS §200/21-260. At such a scavenger sale the property taxes are sold to the highest cash bidder regardless of the value of the outstanding property taxes. 35 ILCS §200/21-260(a). The only constraint on the cash value of the bid is that there is a minimum bid of $250 or half the total tax liability if that tax liability is less than $500. 35 ILCS §200/21-260(a).

When an individual purchases the property taxes on a property at an annual tax sale or at a scavenger sale that individual must wait for the property redemption period to run out before
the individual can acquire title to the property by foreclosing on the tax lien. 35 ILCS §200/21-75(a). In Illinois, the base redemption period is two years from the date the property taxes are sold. 35 ILCS §200/21-350. If the property is vacant and the property taxes have been delinquent for two years on the date of sale of the taxes, however, the redemption period is 6 months from the date of sale of the property. 35 ILCS §200/21-350(a). One further protection for property owners is that any property owner may extend the redemption period to 3 years by filing the required extension. 35 ILCS §200/21-385.

If the property is redeemed by the property owner in the required timeframe the tax purchaser receives its original investment plus whatever interest has been generated since the taxes were purchased. 35 ILCS §200/21-260(f)). The relevant interest rate is determined either by the bid at the annual tax sale or by statute if the property was acquired at the scavenger sale (35 ILCS § 200/21-260(f)).

Although the property tax sale system is complex, Illinois law does allow units of local government to participate in both the annual tax sale and biannual scavenger sale. Such participation can provide units of local government a method of controlling and ultimately acquiring property through the tax sale process. At an annual tax sale a county may bid on behalf of the taxing districts having an interest in the property taxes. 35 ILCS §200/21-90. When a county bids on such property taxes, “[n]o cash need be paid.” 35 ILCS §200/21-90. After acquiring the property taxes at such an annual tax sale, the county need not “pay subsequently accruing taxes,” “may prohibit the county collector from including the property in the tax sale of one more subsequent years,” and “may sell or assign the property so acquired, or the certificate to purchase it, to any party, including taxing districts.” 35 ILCS §200/21-90. If the county sells or assign the property, the process of that sale or assignment less costs must be proportionally distributed to the relevant taxing districts. 35 ILCS §200/21-90.

At a scavenger sale, any taxing district, including a county or municipality, may bid at the sale. 35 ILCS §200/21-260(g). If a county bids and acquires the property it may exercise all of the powers available to it in the annual tax sale context discussed above, including the ability to make a no cash bid. 35 ILCS §200/21-260(g).

The Illinois property tax system therefore gives local governments a number of ways to engage in the tax sale process. By engaging in the tax sale process, local governments using the tools of land banking may be able to acquire control of and/or title to properties in their jurisdictions.

Maintenance

Once a local government unit acquires an interest in a property, it has certain powers to maintain and manage that property over time. These powers are especially relevant in the land banking context where local governments may be holding properties over a long period of time. First, home rule units of local government can use all of the powers of a private property owner to the extent such activities are not limited by local government law. To date, the Illinois General Assembly has not prevented home rule units of local government from engaging in basic
property management and maintenance. There are, however, some state law limitations on home
rule municipalities interested in demolishing properties. Specifically, home rule municipalities
can either use court procedures put in place by state statute (65 ILCS §5/11-31-1) or establish
3d 529 (Ill. App. Ct. 1985). Such home rule demolition ordinances must still meet relevant
constitutional standards, including providing adequate notice and other due process protections.
Id.

Non home rule counties have a broad grant of authority “to make all contracts and do all
other acts in relation to the property and concerns of the county necessary to the exercise of its
corporate powers.” 55 ILCS §5/5-1005. While this is not an unlimited grant of authority, it
covers most core property management and maintenance functions.

Although there is not a broad grant of powers of maintenance and management to non
home rule municipalities, some such powers may be inferred from statutory language. First, the
same nuisance definition, prevention and abatement language (65 ILCS §5/11-60-2) discussed in
the acquisition context would apply to management and maintenance activities that are needed to
abate and prevent the reoccurrence of the nuisances that led to the acquisition of the property in
the first place. In addition, Illinois law explicitly grants non home rule municipalities the
authority to “lease the space above and around buildings located on land owned or otherwise
held by the municipality to any person for any term not exceeding 99 years.” 65 ILCS §5/11-75-1.
Finally, non home rule municipalities may demolish properties but only by following the
procedures set forth in state statute, including petitioning a court before demolishing a property.
65 ILCS §5/11-31-1.

In addition to exercising management and maintenance powers, a local government
holding an interest in a property has the ability to minimize the tax burden on that property. First,
when a local government acquires a property through the tax sale process, as well as in some
other limited circumstances, the local government has the ability to abate all existing property
taxes and liens on the property. 35 ILCS §200/21-95. Also, when a county or municipality owns
a property “being held for future expansion or development, except if leased … to lessees for use
for other than public purposes” the property is tax exempt. 35 ILCS §200/15-60(c). Also, “all
property owned by any municipality within its incorporated limits” is exempt from property
taxes. 35 ILCS §200/15-60(c).

Even if a municipality was only party to an intergovernmental agreement and the public
entity created by the intergovernmental agreement held title to a property there would a strong
argument that such property would be tax exempt. First, under Illinois’ broad constitutional and
statutory intergovernmental agreement provisions the municipality would presumably be able to
transfer the privilege of tax exempt status to the separate public entity. Further, to the extent a
property held by the separate public entity was not in the “incorporated limits” of a municipality,
the separate entity could still draw on the tax exempt status conferred on a municipality that
holds property “outside of its corporate limits” if the property is “used exclusively for municipal
or public purposes.” 35 ILCS §200/15-60.
A unit of local government can exercise some control over a property even when title to the property has not yet been acquired in the tax sale process. The unit of local government can do this by petitioning a court to appoint a receiver. 35 ILCS §200/21-80. Under the Illinois Property Tax Code, a court may appoint a receiver to prevent waste on the property in question. 35 ILCS §200/21-80. This may be a viable means of making sure a property does not deteriorate beyond useable form when the unit of local government is waiting to acquire title in the tax sale process.

Disposition

After acquiring and maintaining a property, a unit of local government will, at some point, want to dispose of the property. Home rule units of local government can dispose of such property in whatever manner they wish consistent with their local statutes. Non home rule counties have the express power “[t]o sell convey or lease any real or personal estate owned by the county.” 55 ILCS §5/5-1005.

Non home rule municipalities, on the other hand, only have the power “to convey the real estate when, in the opinion of the corporate authorities, the real estate is no longer necessary, appropriate, required for the use of, profitable to, or for the best interests of the city or village.” 65 ILCS §5/11-76-1. Such power is limited by the requirement that it “be exercised by an ordinance passed by three fourths of the corporate authorities of the city or village then holding office, at any regular meeting or at any special meeting called for that purpose.” 65 ILCS §5/11-76-1. The practical severity of this limitation on property disposition then depends on how difficult it is to obtain the required votes.

Revenue

In addition to acquiring, maintaining and disposing of property, a unit of local government or an agency created by multiple units of local government interested in engaging in land banking must find a way to finance those land banking activities. Funding from the general revenue of units of local government is permitted by law but may not be practical in many settings. Inventory cross-subsidization, an approach discussed in land banking literature, requires that all properties which flow through the tax foreclosure system end up in the hands of a land bank. This approach is not available in Illinois because the Illinois Property Tax Code, as discussed above, allows for the purchase of taxes by private individuals.

Tax Recapture, another land banking innovation in generating revenue, provides that a certain percentage of property tax revenue generated by a property after the land bank sells the property be remitted to the land bank. While this process is not expressly required by Illinois law it may be possible to achieve similar results in Illinois. First, there is no state law prohibiting a unit of local government from either itself or by intergovernmental agreement dedicating a portion of tax revenue generated by a property redeveloped through land banking to future land banking activities.
Additionally, Illinois law contains the mechanism for a kind of tax recapture through the creation by municipalities of Tax Increment Financing districts (TIFs). In certain circumstances, such TIF districts allow municipalities to capture the additional revenue generated in a specific area over time and devote that revenue to certain activities. 655 ILCS §5/11-74.4. Assuming the TIF district meets the blighting requirements under Illinois law (655 ILCS §5/11-74.4(3)(a)), one of the permitted uses of such TIF funds is the acquisition and redevelopment of property (655 ILCS §5/11-74.4(q)(1.6)).

Using delinquent tax revolving funds as a source of financing for land banking activities is another land banking revenue generation strategy that may be possible in Illinois. As discussed above, the property tax sale system in Illinois allows local governments to acquire property taxes at property tax sales. Assuming local governments could borrow the money at cheap enough rates, Illinois law would permit local governments to use those funds to purchase the taxes on properties within their jurisdictions. Further, local governments would actually be able to acquire such property taxes through a no cash bid procedure requiring even less resources to be expended in the tax acquisition process.

Finally, Illinois law does permit both counties and municipalities to borrow funds under certain circumstances. Borrowing of such funds includes both typical indebtedness and issuing bonds. Home rule units may enter into typical indebtednesses, such as secured and unsecured loans, under their grant of authority under the Illinois Constitution. The Illinois Constitution, however, does contemplate potential limitations on home rule local government units’ authority to issue bonds (Ill. Const. Art. VII Sec. 6(j;k)). To date, however, the Illinois General Assembly has not enacted any such limitations.

The law surrounding the ability of non home rule units of local government to borrow funds is significantly more complicated. First, a non home rule county can “make all contracts and do all other acts in relation to the property and concerns of the county necessary to exercise of its corporate powers.” 55 ILCS §5/5-1005. Such power would include the ability to enter into typical secured and unsecured debt arrangements with financial institutions. Also, non home rule municipalities are expressly allowed to “borrow money from any bank or financial institution.” 65 ILCS §5/8-1-3.1. Such authority is limited, however, by the requirement that such indebtedness be repaid within 10 years and authorized by ordinance. 65 ILCS §5/8-1-3.1.

County boards in non home rule counties may issue bonds “to perform any of the duties imposed upon them by law,” subject to a number of procedural and substantive constraints. 55 ILCS §5/5-1012. First, such bonds require the passage of popular referendum. 55 ILCS §5/5-1012. Further, the substantive constraints on the bonds issued include that the total bonds issued by the county cannot exceed 5.75% of the value of the taxable property in the county and that the bonds must be for a period of 1 to 20 years. 55 ILCS 5/5-1012.

Non home rule municipalities may also issue general obligation bonds in somewhat constrained circumstances. 65 ILCS §5/8-4-1. While there are no substantive constraints on these bonds, they must be ratified by a referendum. 65 ILCS §5/8-4-1. These general bonds are in addition to a host of other specific bonds that may be issued by both non home rule counties and
non home rule municipalities in narrow cases and often do not have the same procedural and substantive requirements as the general bonds.
EXHIBIT C
REPORT OF THE COMMITTEE ON FINANCE

JANUARY 15, 2013

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: Chairman Daley, Vice Chairman Sims, Commissioners Beavers, Collins, Fritchey, Gainer, Garcia, Gorman, Murphy, Reyes, Schneider, Silvestri, Steele and Tobolski (14)

Absent: Commissioners Butler, Goslin and Suffredin (3)

Also Present: Patrick T. Driscoll, Jr. – Deputy State’s Attorney, Chief, Civil Actions Bureau

Ladies and Gentlemen:

Your Committee on Finance of the Board of Commissioners of Cook County met pursuant to notice on Tuesday, January 15, 2013 at the hour of 11:30 A.M. in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Your Committee has considered the following item and upon adoption of this report, the recommendation is as follows:

321274 Submitting a Proposed Ordinance sponsored by

TONI PRECKWINKLE, President, Cook County Board of Commissioners and
BRIDGET GAINER, County Commissioner

ORDINANCE CREATING THE COOK COUNTY LAND BANK AUTHORITY

BE IT ORDAINED, by the Cook County Board of Commissioners that Part II, Land Development Ordinances, Chapter 103, Land Bank Authority, Sections 103-1 through 103-71 of the Cook County Code are hereby enacted as follows:

Division 1. General Provisions

Sec. 103-1. Short title.

This Ordinance shall be known and may be cited as the "Ordinance Establishing the Cook County Land Bank Authority."

Sec. 103-2. Declaration.

The County Board hereby establishes the Cook County Land Bank Authority which shall be an agency of and funded by Cook County.

Sec. 103-3. Definitions.
The following words and terms shall have the meanings set forth in this section, except where otherwise specifically indicated:

*Board of Commissioners or County Board* means the Board of Commissioners for Cook County, Illinois.

*Board of Directors* means the Board of Directors of the Cook County Land Bank.

*Chairperson* means the chairperson of the Cook County Land Bank Board.

*County* means Cook County, Illinois.

*Cook County Code* means the Code of Ordinances of Cook County, Illinois.

*Director* means the Executive Director of the Cook County Land Bank.

*Fiscal Year* means the fiscal year of the Land Bank, which shall begin on December 1st of each year and end on the following November 30th.

*Land Bank* means the Cook County Land Bank Authority, created by this Ordinance pursuant to the County's home rule powers.

*Member* means a member of the Board of Directors.

*Ordinance* means this ordinance creating the Cook County Land Bank.

*Person* means any individual, corporation, limited liability corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity.

*President* means the President of the Cook County Board of Commissioners.

*Real Property* means all land and the buildings thereon, all things permanently attached to land or to the buildings thereon, and any interest existing in, issuing out of, or dependent upon land or the buildings thereon.

*State* means the State of Illinois.

**Sec. 103-4. Purpose.**

The purpose of this Ordinance is to create the Cook County Land Bank Authority that will use available resources to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use thereby combating community deterioration, creating economic growth and stabilizing the housing and job market.

The Land Bank will acquire, hold, and transfer interest in real property
throughout Cook County as approved by the Board of Directors for the following purposes: to promote redevelopment and reuse of vacant, abandoned, and tax-delinquent properties; support targeted efforts to stabilize neighborhoods; stimulate residential, commercial and industrial development; all in ways that are consistent with goals and priorities established by this Ordinance, local government partners and other community stakeholders.

Sec. 103-6. Principal Office.

The principal office of the Land Bank shall be at a location within the geographical boundaries of Cook County, as determined by the Board of Directors.

Sec. 103-7. Title to Land Bank Assets.

Except as otherwise provided in this Ordinance, Cook County shall hold title to all Real Property controlled by the Land Bank.

Sec. 103-8. Tax-exempt Status.

The County declares that the activities of the Land Bank are governmental functions carried out by an instrumentality or political subdivision of the State as described in Section 115 of Title 26 of the United States Internal Revenue Code, or any corresponding provisions of any future tax code. The County also intends the activities of the Land Bank to be governmental functions carried out by a political subdivision of this State, exempt to the extent provided under Illinois law from taxation by this State, including, but not limited to, ad valorem property tax exemption pursuant to the Property Tax Code, 35 ILCS 200/1-1 et seq.

Sec. 103-9. Waiver of Special Assessments.

Upon the request of the Land Bank and for the purposes of fostering the goals and objectives of the Land Bank, the County, as permitted by law, may extinguish special assessments levied by it prior to the date of acquisition by the Land Bank against Real Property controlled by the Land Bank, and may seek to exempt Real Property controlled by the Land Bank from the imposition of special assessments.

Sec. 103-10. Compliance with Law.

The Land Bank shall comply with all applicable federal and state laws, rules, regulations, and orders.

Sec. 103-11. No Third-Party Beneficiaries.

Except as otherwise specifically provided, this Ordinance does not create in any Person, other than the County, and is not intended to create by implication or otherwise, any direct or indirect benefit, obligation, duty, promise, right to be indemnified (such as contractually, legally, equitably, or by implication), right to be subrogated to the County’s rights under this Ordinance, or any other right or benefit.
Sec. 103-12 – 103-16 Reserved.

Division 2. Land Bank Authority Board of Directors and Staff

Sec. 103-17. Cook County Land Bank Board of Directors

The Land Bank shall be governed by a Board of Directors that shall be appointed by the President, subject to approval by the Cook County Board of Commissioners, within 45 (forty-five) days of the adoption of this Ordinance. Board of Directors shall be residents of Cook County. The Board of Directors shall consist of 13 (thirteen) members.

Sec. 103-18. Appointment of Members

Candidates for the Board of Directors appointed by the President shall be selected from the following categories.

(a) One (1) Cook County Commissioner to serve as an Ex-Officio Member with voting rights. The Ex-Officio Member shall serve as a liaison between the County Board and the Board of Directors;

(b) Two (2) Suburban Cook County Mayors, Presidents or Village Managers;

(c) One (1) representative from the City of Chicago as recommended by the Mayor of the City of Chicago;

(d) One (1) representative from the Cook County Bureau of Economic Development;

(e) One (1) representative from a community development finance institution;

(f) One (1) representative from the banking community;

(g) One (1) representative from a local or state Realtor Association;

(h) One (1) representative from the non-profit development community;

(i) One (1) representative from the commercial/industrial development community;

(j) One (1) representative from the open space community;

(k) One (1) representative from a City of Chicago community organization;

(l) One (1) representative from a Suburban Cook County community
organization.

Sec. 103-19  Term of Office.

Except as otherwise provided in this section, the members of the Board of Directors appointed under Section 103-12 shall be appointed for a term of three (3) years.

(a) Ex-Officio Member. The ex-officio member shall be the appointed Cook County Commissioner who shall serve as the ex-officio member for the length of the Commissioner's term.

(b) The remaining Members. The remaining twelve (12) members of the Board of Directors shall serve terms as follows:

(1) For the initial Members,

a. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2014.

b. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2015.

c. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2016.

d. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2017.

(2) Thereafter, the Members other than the ex-officio member appointed shall serve a term of three (3) years.

a. Each Member, whether initial or subsequent, shall serve until a successor is appointed.

b. Any Member who is appointed to fill a vacancy, other than a vacancy caused by the expiration of the predecessor's term, shall serve until the expiration of his or her predecessor's term.

(3) Other than the Ex-Officio Commissioner, a Member may not serve more than two (2) consecutive full terms.
Sec. 103-20. Chairperson/Members of the Board of Directors.

(a) The Board of Directors shall select the initial Chairperson of the Board from among the initial members. The Chairperson shall serve one two (2) year term as Chairperson and, thereafter, the Board of Directors shall annually elect a Chairperson from among the members.

(1) The Chairperson shall preside at meetings of the Board of Directors, and is entitled to vote on all matters before the Board of Directors.

(2) A Member may be elected to serve successive terms as Chairperson.

(b) The Board of Directors may appoint from its Members, a Member to serve as the Land Bank secretary and appoint such additional officers from its Members as it may deem appropriate.

Sec. 103-21. Removal.

A Member may be removed by the President of the Cook County Board prior to the expiration of the Member’s term of appointment for good cause. Good cause includes inefficiency, neglect of duty, malfeasance, or any cause which renders the member unfit for the position or unable to perform the duties of the position. The President shall provide written notice to that Member, the Director and the County Board of the removal of that Member from the Board of Directors; such notice shall state the specific grounds which constitute cause for removal. The Member, in receipt of such notice, may request to appear before the County Board and present reasons in support of his or her retention. Thereafter, the County Board shall vote upon whether there are sufficient grounds to remove that Member from office. The President shall notify the Member of the final action of the County Board.

Sec. 103-22. Vacancies.

Any vacancy on the Board of Directors caused by death, resignation, disqualification, or removal shall be filled by the President as soon as practicable, but not to exceed 60 days following the occurrence of the vacancy. The vacancy shall be filled for the remainder of the unexpired term in the same manner as the original appointment. Expired terms shall be filled by the President within 60 days of the term’s expiration in the same manner as the original appointment.

Sec. 103-23. Meetings.

The Board of Directors shall conduct its first meeting no later than sixty (60) days after the appointment of the Board of Directors. The place, date, and time of the Land Bank meetings shall be determined at the discretion of the Board of Directors. All meetings of the Board of Directors shall comply with the Illinois Open Meetings Act, 5 ILCS 120/1 et seq. (the “OMA”).

The Board of Directors shall adopt bylaws, procedures and policies consistent with the provisions of this Ordinance within 120 days from the first meeting of the Board of Directors.

Sec. 103-25. Quorum and Voting.

A quorum shall be necessary for the transaction of any business by the Board of Directors. A majority of the Members of the Board of Directors shall constitute a quorum. The Board of Directors shall act by a majority vote of the Members at a meeting at which a quorum is present, except as otherwise provided in this Ordinance. Presence for both quorum and voting at a Land Bank shall be articulated by the Board of Directors in its bylaws or procedures in a manner consistent with the OMA.

Sec. 103-26. Records of Meetings.

Minutes of all meetings of the Board of Directors and its Committees shall be made and maintained as required by the OMA.

Sec. 103-27. Board of Directors Responsibilities.

The Board of Directors shall:

(a) Ensure that all personnel matters are conducted free from any political interference and in accordance with the provisions of the Supplemental Relief Order and Consent Decree established in the federal civil litigation filed in the Northern District of Illinois under Case No. 69 C 2145 and titled Shakman, et al. v. Democratic Organization, et al. and all applicable laws;

(b) Ensure that all operations including contractual matters are conducted free from any political interference; and

(c) Ensure efficiency in service delivery and sound fiscal management of all aspects of the Land Bank including the collection of all revenues from all sources;

Sec. 103-28. Board of Directors Actions.

The Board of Directors shall do all of the following not inconsistent with Illinois law:

Adopt, amend and/or repeal rules and policies and procedures governing the Board of Directors and its actions and meetings, and adopt, amend and/or repeal policies and procedures to implement day-to-day operation of the Land Bank, including policies governing any staff of the Land Bank;

(a) Elect additional officers, including, but not limited to, initial officers who shall be elected at the first meeting of the Board of Directors, in accordance
with the bylaws;

(b) Provide for a system of accounting;

(c) Adopt or amend the Land Bank’s budget to submit annually to the Cook County Board of Commissioners for approval and adoption in a time frame mandated by the Cook County Budget Director;

(d) Adopt, amend and/or repeal policies and procedures for contracting and procurement which must be consistent with the provisions set forth in the County’s Code; provided however, that approval of the County Board or County Procurement Officer is not required for procurement or contracts authorized by the Land Bank and the Board of Directors will act in place of the County Board in any contract, bylaws or agreement with the County which requires the approval or other action of the County Board unless expressly prohibited otherwise in this chapter and until such time as the Board of Directors adopts its own rules, regulations or procedures with regard to procurement and contracts, the existing provisions of the Cook County Code pertaining to Procurement and Contracts shall apply.

(e) Commission, collect, and receive data from public, private, professional and volunteer sources to compile an inventory an analysis of desirable properties for acquisition;

(f) Establish banking arrangements for the Land Bank as per Sec. 103-58 of this Ordinance.

(g) Organize and reorganize the executive, administrative, clerical and other departments of the Land Bank and fix the duties, powers and compensation of all employees, agents and consultants of the Land Bank as per Sec. 104-32 of this Ordinance

Sec. 103-29, Fiduciary Duty.

The Members of the Board of Directors are under a fiduciary duty to conduct the activities and affairs of the Land Bank in the best interests of the residents of Cook County, including the safekeeping and use of all Land Bank monies and assets. The members of the Board of Directors shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

Sec. 103-30, Compensation.

The Members of the Board of Directors shall receive no compensation for the performance of their duties. A Member may engage in private or public employment, or in a profession or business, except to the extent prohibited by Illinois law or County ordinance. The Land Bank may reimburse members of the Board of Directors for actual and necessary expenses incurred in the discharge of their official duties as provided by
the Board of Directors.

Sec. 103-31, Executive Director.

The Board of Directors shall be authorized to retain the professional services of an individual to perform the duties of an Executive Director on a contractual basis with the advice and consent of the President; the Executive Director shall not be an employee of the Land Bank or County. The Director shall administer the Land Bank in accordance with the operating budget approved by the Cook County Board of Commissioners, general policy guidelines established by the Board of Directors, other applicable governmental procedures and policies, and this Ordinance. The Director shall be responsible for the day-to-day operations of the Land Bank, the control, management, and oversight of the Land Bank’s functions, and supervision of all Land Bank contractual agreements. All terms and conditions of the Director’s service shall be specified in a written contract between the Director and the Board of Directors. The Director may be removed by the President of the Cook County Board or the Board of Directors for good cause, prior to the expiration of the Director’s contract. Good cause includes inefficiency, neglect of duty, malfeasance, or any cause which renders the Director unfit or unable to perform the scope of work. The Board of Directors may delegate to the Director any powers or duties it considers proper, under such terms, conditions and to the extent that the Board of Directors may specify.

Sec. 103-32, Staffing Services

(a) The Board of Directors may approve contracts for staffing as requested by the Executive Director that are deemed necessary to carry out the duties and responsibilities of the

Land Bank and in accordance with the policies and procedures established by the Board. Such staff shall be retained pursuant to contracts entered into in accordance with the procurement rules established by the Board.

(b) Should the Board of Directors, elect to have employees, any staff employed by the Board of Directors for the Land Bank not otherwise retained through the Board of Directors procurement rules shall be recruited or employed via the County’s employment plan and be deemed County employees.

Sec. 103-33, Ethics.

The Board of Directors shall be subject to the Cook County’s ethics ordinance.

Sec. 103-34, Indemnification.

(a) The County shall defend and indemnify the Land Bank and the Members Board of Directors with respect to all claims or judgments arising out of their activities as Members with respect to all negligence claims, and claims or judgments arising out of Land Bank activities performed on behalf of the County.
(b) The County shall not be obligated to indemnify the Land Bank or Member for:

(1) Punitive damages or liability arising out of conduct which is based upon willful or wanton conduct.

(2) Conduct which is outside of the scope of the Land Bank authority.

(3) Any settlement or judgment in which the County did not participate.

(4) The defense of any criminal or disciplinary proceeding.

(c) To be eligible for defense and indemnification, the Land Bank or Member shall be obligated to:

(1) Notify, within five days of receipt, the Cook County Department of Risk Management and the Civil Actions Bureau of the Cook County State's Attorney's Office of any claim made against the Member or Land Bank and deliver all written demands, complaints and other legal papers, received by the practitioner with respect to such claim to the Department of Risk Management.

(2) Cooperate with the State's Attorney's Office in the investigation and defense of any claim against the County or any Member, including, but not limited to,

preparing for and attending depositions, hearings and trials and otherwise assisting in securing and giving evidence.

(3) Promptly notify the Cook County Department of Risk Management and the Civil Actions Bureau of the Cook County State's Attorney's Office of any change in the Member's address or telephone number.

(d) All actions shall be defended [by] the Cook County State's Attorney. Decisions to settle indemnified claims shall be made by the County or the State's Attorney's Office, as delegated by the County, and shall not require the consent of the indemnified Member. If a Member declines representation by the State's Attorney's Office, the County shall have no obligation to defend or indemnify the Member.

Sec. 103-35 – 103-40 Reserved

Division 3. General Powers of Land Bank

Sec. 103-41. General Powers.

The County, to the full extent of its constitutional and statutory authority, confers upon the Land Bank the authority to do all things necessary or convenient to implement
the purposes, objectives, and provisions of this Ordinance, or the purposes, objectives, and powers granted to the Land Bank by any federal, state or local government unit, consistent with the County’s Annual Appropriation Ordinance, including, but not limited to, the following:

(a) To adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business;

(b) To acquire by purchase, donation, or other transfers and to hold, lease, manage, and dispose of Real Property of every kind and character, or any interest therein, in furtherance of the public purposes of the Land Bank;

(c) To discharge and extinguish Real Property taxes owed to the County or to a Party, pursuant to an Agreement with such Party, that encumber Real Property owned by the County through the Land Bank, as permitted by the Property Tax Code, 35 ILCS 200/1-1 et seq., or other applicable law;

(d) To pay any tax or special assessment due on Real Property acquired or owned by the Land Bank;

(e) To acquire, accept, or retain equitable interests, security interests, or other interests in any Real Property or other fixtures by loan agreement, note, mortgage, deed to secure debt, trust deed, security agreement, assignment, pledge, conveyance, contract, lien, or other consensual transfer in order to secure the repayment of any moneys loaned or credit extended by the Land Bank;

(f) Borrow money from private lenders, from cities or counties, from the state or from federal government funds, subject to the approval of the County Board, to further or carry out the Land Bank’s public purpose by executing leases, trust indentures, trust agreements, agreements for the sale notes, loan agreements, mortgages, deeds to secure debt, trust deeds, security agreements, assignments, and such other agreements or instruments as may be necessary or desirable, in the judgment of the Land Bank, to evidence and to provide security for such borrowing.

(f) To make application directly or indirectly to any federal, state, county, or municipal government or agency or to any other source, whether public or private, for loans, grants, gifts, guarantees, labor, or other aid or financial assistance in furtherance of the Land Bank’s public purpose and to accept and use the same upon such terms and conditions as are prescribed by such federal, state, county, or municipal government or agency or other source;

(g) To enter into agreements with the federal government or any agency thereof to use the facilities or services of the federal government or any agency thereof in order to further or carry out the public purposes of the Land Bank;

(h) To extend credit or make loans to any Person subject to limitations established by the County Board, for the costs of any Land Bank projects or any part of the costs of any Land Bank projects which credit or loans may be
evidenced or secured by loan agreements, notes, mortgages, deeds to secure
debt, trust deeds, security agreements, assignments, or such other instruments, or
by rentals, revenues, fees, or charges, upon such terms and conditions as the
Land Bank shall determine to be reasonable in connection with such extension of
credit or loans, including provision for the establishment and maintenance of
reserve funds, and, in the exercise of powers granted by the County through this
Ordinance in connection with any Land Bank projects, the Land Bank shall have
the right and power to require the inclusion in any such loan agreement, note,
mortgage, deed to secure debt, trust deed, security agreement, assignment, or
other instrument such provisions or requirements, including but not limited to:
guarantee any obligations, insurance, construction, use, operation, maintenance,
and financing and such other terms and conditions, as the Land Bank may deem
necessary or desirable;

(i) As security for repayment of any note, or other obligations of the Land
Bank, to pledge, mortgage, convey, assign, hypothecate, or otherwise encumber
any property of the Land Bank, including, but not limited to, Real Property,
fixtures, and revenues or other funds, and to execute any lease, trust indenture,
trust agreement, agreement for the sale of the Land Bank’s notes, or other
obligations, loan agreement, mortgage, deed to secure debt, trust deed, security
agreement, assignment, or other agreement or instrument as may be necessary or
desirable, in the judgment of the Land Bank, to secure any such notes, or other
obligations, which instruments or agreements may provide for foreclosure or
forced sale of any Real Property of the Land Bank upon default in any obligation
of the Land Bank, either in payment of principal, premium, if any, or interest or
in the performance of any term or condition contained in any such agreement or
instrument;

(j) To receive and administer gifts, grants, and bequests of money and Real
Property consistent with the purpose of the Land Bank;

(k) To use any Real Property or fixtures or any interest therein or to rent,
license or lease such Real Property to or from others or make contracts with
respect to the use thereof, or to sell, lease, exchange, transfer, assign, pledge, or
otherwise dispose of or grant options for any such Real Property in any manner
as it deems to be in the best interests of the Land Bank and the public purpose
thereof;

(l) To procure insurance or guarantees from the State Legislature or federal
government of the payments of any debts or parts thereof incurred by the Land
Bank, and to pay premiums in connection therewith;

(m) To procure, if required, insurance against losses in connection with the
Real Property, assets, or activities of the Land Bank;

(n) To enter into contracts and other instruments necessary, incidental, or
convenient to the performance of its duties and the exercise of its powers,
including, but not limited to, an Agreement with a Party for the joint exercise of
powers. An Agreement with a Party may include contracts for the performance
of services by a Party on behalf of the Land Bank or by the Land Bank on behalf
of a Party;

(o) To enter into partnerships, joint ventures, and other collaborative relationships with municipalities and other public and private entities for the ownership, management, development, and disposition of Real Property;

(p) To enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers, including, but not limited to, agreements with a Party regarding the disposition of Land Bank properties located within their boundaries;

(q) To finance (by loan, grant, lease, or otherwise), refinance, construct, erect, assemble, purchase, acquire, own, repair, remodel, rehabilitate, modify, maintain, extend, improve, install, sell, equip, expand, add to, operate, or manage Real Property or rights or interests in Real Property, and to pay the costs of any such project from the proceeds of revenue bonds, loans by persons, corporations, partnerships, whether limited or general, or other entities, all of which the Land Bank is authorized to receive, accept, and use;

(r) To fix, charge, and collect rents, fees, licenses and charges for the use of Real Property of the Land Bank and for services provided by the Land Bank;

(s) To grant or acquire a license, easement, lease (as lessor or lessee), or option with respect to Real Property of the Land Bank;

(t) To enter into contracts with nonprofit community land trusts, including, but not limited to, long-term lease contracts;

(u) To contract for goods and services and engage personnel as necessary, to be paid from the funds of the Land Bank. The Board shall determine the qualifications, duties, and compensation of those it contracts with and employs;

(v) To organize and reorganize the executive, administrative, clerical, and other departments of the Land Bank and to fix the duties, powers, and compensation of all employees, agents, and consultants of the Land Bank;

(w) To remediate environmental contamination on any Real Property held by the Land Bank;

(x) To acquire, hold and manage property pursuant to this Ordinance;

(y) To dispose of property pursuant to this Ordinance; and;

(z) To do all other things necessary or convenient to achieve the objectives and purposes of the Land Bank or other laws that relate to the purposes and responsibilities of the Land Bank.
Sec. 103-42. No Waiver of Governmental Immunity.

No provision of this Ordinance is intended, nor shall it be construed, as a waiver by the County of any governmental immunity provided under any applicable law.

Sec. 103-43. Non-Discrimination.

The Land Bank shall comply with all applicable laws prohibiting discrimination.

(a) The Land Bank shall not provide services in a manner that discriminates against an individual because of the actual or perceived status, practice, or expression of that person's race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, gender identity or housing status; or the actual or perceived association with such a person.

(b) The Land Bank shall not fail or refuse to hire, recruit, promote, demote, discharge, or otherwise discriminate against an individual with respect to employment, compensation, or a term, condition, or privilege of employment because of the actual or perceived status, practice, or expression of that person's race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, gender identity or housing status; or the actual or perceived association with such a person.

Sec. 103-44 – 103-48 Reserved.

Division 4. Real Property Acquisition, Management and Disposition

Sec. 103-49. Acquisition of Real Property.

(a) The Land Bank may acquire Real Property or rights or interests in Real Property by gift, bequest, transfer, exchange, foreclosure, purchase, purchase contracts, lease purchase agreements, installment sales contracts, land contracts, tax sale, scavenger sale or otherwise, on terms and conditions and in a manner the Land Bank considers proper.

(b) The Land Bank may acquire any property conveyed to it by the State of Illinois, a foreclosing governmental unit, a unit of local government, an intergovernmental entity created under the laws of the State of Illinois, or any other public or private person, including, but not limited to, property without clear title.

(c) All deeds, mortgages, contracts, leases, purchases, or other agreements regarding property of the Land Bank, including agreements to acquire or dispose of real property, shall be approved by and executed by the Land Bank, in the name of the County.
(d) The Land Bank shall have the right to purchase properties, in the name of the County, at tax sales conducted in accordance with the Property Tax Code, 35 ILCS §200/1-1 et seq. The Land Bank may tender a bid at a tax sale that is a credit bid, consisting of the obligation of the Land Bank to satisfy the component parts of the bid by payments to the respective political subdivisions.

(e) The Land Bank shall have the right to make offers to purchase properties that are subject to a listing agreement; said offer or purchase of a property by the Land Bank that is subject to a listing agreement shall not extinguish any legal rights existing under the listing agreement.

Sec. 103-50. Execution of Legal Documents Relating to Property.

All deeds, mortgages, contracts, easements, leases, licenses, franchises, purchases, covenants or other agreements regarding Real Property of the Land Bank, including agreements to acquire or dispose of Real Property, shall be executed in the name of the County by the Land Bank and approved in accordance with the bylaws of the Land Bank.

Sec. 103-51. Holding and Managing Property.

The Land Bank may control, manage, maintain, operate, repair, lease as lessor, license, secure, prevent the waste or deterioration of, demolish, and take all other actions necessary to preserve the value of the Real Property it controls on behalf of the County. The Land Bank shall maintain all such Real Property held by the Land Bank in accordance with applicable laws and codes. Such Real Property shall be inventoried and classified by the Land Bank according to suitability for use. The inventory shall be maintained as a public record and shall be filed electronically and in the principal office of the Land Bank.

Sec. 103-52. Property Disposition.

On terms and conditions, and in a manner and for an amount of consideration the Land Bank considers proper, fair, and reasonable, including for no monetary consideration if appropriate, the Land Bank may convey, sell, transfer, exchange, lease as lessor, or otherwise dispose of Real Property or rights or interests in Real Property which the Land Bank controls and the County holds a legal interest to any public or private Person. The transfer and use of property under this section and the exercise by the Land Bank of powers and duties under this Ordinance shall be considered a necessary public purpose and for the benefit of the public.

Sec. 103-53. Criteria for Conveyance.

Real Property shall be conveyed by the Land Bank in accordance with this Ordinance and according to criteria determined in the discretion of the Board and contained in the policies and procedures adopted by the Board. The Board may adopt policies and procedures that set forth priorities for a transferee's use of Real Property conveyed by the Land Bank, including, but not limited to, affordable housing.
Sec. 103-54.  Transactions

Transactions shall be structured in a manner that permits the Land Bank to enforce contractual agreements, real covenants, and the provisions of any subordinate financing held by the Land Bank pertaining to development and use of the Real Property.

Sec. 103-55.  Disposition of Proceeds.

Any proceeds from the sale or transfer of Real Property by the Land Bank shall be retained, expended, or transferred by the Land Bank as determined by the Board in the best interests of the Land Bank and in accordance with applicable laws and Agreements.

Division 5. Intergovernmental Agreements

Sec. 103-56.  Intergovernmental Agreements

(a) The Board of Directors may negotiate and propose Agreements necessary, incidental, or convenient to the performance of its duties and the exercise of its powers with a local unit of government located in whole or in part within Cook County, subject to the approval of the County Board. Such an Agreement may include, but are not be limited to, contracts for the joint exercise of powers, contracts for the ownership, management, development, and disposition of Real Property, or contracts for the performance of services by a local unit of government on behalf of the Land Bank or by the Land Bank on behalf of a local unit of government.

(b) The parties to the intergovernmental agreements shall agree that no party to an intergovernmental agreement shall be responsible, in whole or in part, for the acts of the employees, agents, and servants of any other party, whether acting separately or in conjunction with the implementation of an Agreement. The parties shall only be bound and obligated under an Agreement as expressly agreed to by each party.

(c) All agreements shall in all respects be interpreted, enforced, and governed under the laws of the State of Illinois without regard to the doctrines of conflict of laws. The language of all parts of an Agreement shall in all cases be construed as a whole according to its plain and fair meaning, and not construed strictly for or against any Party.

Division 6. Books, Records, Finances and Expenditures

Sec. 103-58.  Land Bank Records.

The Land Bank shall keep and maintain at the principal office of the Land Bank all documents and records of the Land Bank. The records of the Land Bank, which shall be available to the public, shall include, but not be limited to, a copy of this Ordinance, the Land Bank’s bylaws, and any agreements, along with any amendments thereto. The records and documents shall be maintained and shall be delivered to any successor entity.
Sec. 103-59. Financial Statements and Reports.

The Land Bank shall cause to be prepared, at the Land Bank’s expense, audited financial statements (balance sheet, statement of revenue and expense, statement of cash flows, and changes in fund balance) on an annual basis. Such financial statements shall be prepared in accordance with generally accepted accounting principles and accompanied by a written opinion of an independent certified public accounting firm.

Sec. 103-60. Annual Budget.

(a) The Land Bank shall prepare an annual budget in a manner and under a time frame mandated by the Cook County Budget Director.

(b) For Fiscal Year 2014 and each Fiscal Year thereafter, the Board of Directors shall recommend, approve and submit an annual budget to be included in the President's Executive Budget Recommendation for approval by the County Board.

(c) The obligations and expenditures of the Board of Directors shall conform to the County’s Annual Appropriation Ordinance; provided that the County Board retains the authority to impose additional limitations. Any commitment, contract or other obligation entered into by the Board in derogation of this Section shall be voidable by the County Board.

Sec. 103-61. Deposits and Investments.

The Land Bank shall deposit funds of the Land Bank in a special fund to be held by the Treasurer of the County, to be designated as the “Land Bank Fund” and to be expended exclusively for the operation of the Land Bank.

Sec. 103-62. Disbursements.

Expenditures of funds from the Land Bank Fund shall be in accordance with guidelines established by the Board of Directors.

Sec. 103-63. Performance Objectives.

Each Fiscal Year, the Director, or other individual designated by the Board of Directors, shall prepare, for review and approval by the Board of Directors, objectives for the Land Bank’s performance.

Sec. 103-64. Annual Report.

(a) The Board of Directors shall submit to the President and the County Board, within six months after the end of each Fiscal Year, a report which shall set forth a complete and detailed operating and financial statement of the Land Bank during such Fiscal Year.
(b) Included in the report shall be any recommendations for additional legislation or other action which may be necessary to carry out the mission, purpose and intent of the Land Bank.

Sec. 103-65. Management of Funds.

The Director, or other individual designated by the Board of Directors, shall be authorized to make deposits and withdraw funds from the Land Bank Fund for the management of sales proceeds, revenue, and other Land Bank funds as authorized by the Board of Directors. Standard accounting procedures shall be used in the management of accounts and approved by the Cook County Comptroller.

Sec. 103-66. Authorized Expenditures.

The Land Bank shall in its sole discretion and within its budget, expend such funds as necessary to carry out the powers, duties, functions, and responsibilities of a land bank under this Ordinance.

Division 7. Dissolution, Distribution of Assets

Sec. 103-67. Dissolution.

Upon determining that the purposes of the Land Bank have been completed and that there is no longer a need for the Land Bank’s continued existence, the Board of Commissioners may repeal this Ordinance and dissolve the Land Bank, provided however that the effective date of any such repeal shall provide sufficient time for the Land Bank to carry out the provisions set forth in Sec. 103-64.

Sec. 103-68. Distribution of Assets.

As soon as possible after notice of the repeal of this Ordinance, the Land Bank shall finish its affairs as follows:

(a) All of the Land Bank’s debts, liabilities, and obligations to its creditors and all expenses incurred in connection with the termination of the Land Bank and distribution of its assets shall be paid first; and

(b) the remaining Real Property and personal property owned by the Land Bank, if any, shall be distributed to any successor entity, subject to approval by the County. In the event that no successor entity exists, the remaining Real Property and personal property, and other assets of the Land Bank, shall become assets of the County, unless provided otherwise in any applicable Agreements.

Division 8. Miscellaneous

Sec. 103-69. Interpretation of Ordinance.

All powers granted to the Land Bank under this Ordinance shall be interpreted broadly to effectuate the intent and purposes of this Ordinance and not to serve as a limitation of powers.
Sec. 103-70. Severability of Provisions.

The invalidity of any clause, sentence, paragraph, subdivision, section, or portion thereof, shall not affect the validity of the remaining provisions of this Ordinance.

Sec. 103-71. Terminology.

All terms and words used in this Ordinance, regardless of the number, are deemed to include any other number as the context may require.

*Effective date:* This ordinance shall be effective immediately upon approval and adoption.

*Referred to the Committee on Finance on 12-18-2012.*

Commissioner Gainer, seconded by Commissioner Murphy, moved to accept a Substitute Ordinance for Communication No. 321274. The motion carried, and Communication No. 321274 was amended by substitution, as follows:

Substitute Ordinance to Communication No. 321274

Submitting a Proposed Ordinance sponsored by

TONI PRECKWINKLE, President, Cook County Board of Commissioners and
BRIDGET GAINER, WILLIAM M. BEAVERS, EARLEAN COLLINS, JOHN A. FRITCHEY,
JESUS G. GARCIA, ELIZABETH "LIZ" DOODY GORMAN, JOAN PATRICIA MURPHY,
EDWIN REYES, TIMOTHY O. SCHNEIDER, PETER N. SILVESTRI, DEBORAH SIMS,
ROBERT STEELE and JEFFREY R. TOBOLSKI, County Commissioners

**ORDINANCE CREATING THE COOK COUNTY LAND BANK AUTHORITY**

BE IT ORDAINED, by the Cook County Board of Commissioners that Part II, Land Development Ordinances, Chapter 103, Land Bank Authority, Section 103-1 through 103-71 of the Cook County Code are hereby enacted as follows:

**Division 1. General Provisions**

Sec. 103-1. Short title.

This Ordinance shall be known and may be cited as the "Ordinance Establishing the Cook County Land Bank Authority."

Sec. 103-2. Declaration.

The County Board hereby establishes the Cook County Land Bank Authority which shall be an agency of and funded by Cook County.
Sec. 103-3. Definitions.

The following words and terms shall have the meanings set forth in this section, except where otherwise specifically indicated:

*Board of Commissioners or County Board* means the Board of Commissioners for Cook County, Illinois.

*Board of Directors* means the Board of Directors of the Cook County Land Bank.

*Chairperson* means the chairperson of the Cook County Land Bank Board.

*County* means Cook County, Illinois.

*Cook County Code* means the Code of Ordinances of Cook County, Illinois.

*Director* means the Executive Director of the Cook County Land Bank.

*Fiscal Year* means the fiscal year of the Land Bank, which shall begin on December 1st of each year and end on the following November 30th.

*Land Bank* means the Cook County Land Bank Authority, created by this Ordinance pursuant to the County’s home rule powers.

*Member* means a member of the Board of Directors.

*Ordinance* means this ordinance creating the Cook County Land Bank.

*Person* means any individual, corporation, limited liability corporation, organization, government, governmental subdivision or agency, business trust, estate, trust, partnership, association and any other legal entity.

*President* means the President of the Cook County Board of Commissioners.

*Real Property* means all land and the buildings thereon, all things permanently attached to land or to the buildings thereon, and any interest existing in, issuing out of, or dependent upon land or the buildings thereon.

*State* means the State of Illinois.

Sec. 103-4. Purpose.

The purpose of this Ordinance is to create the Cook County Land Bank Authority that will use available resources to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use thereby combating community deterioration, creating economic growth and stabilizing the housing and job market.
The Land Bank will acquire, hold, and transfer interest in real property throughout Cook County as approved by the Board of Directors for the following purposes: to promote redevelopment and reuse of vacant, abandoned, and tax-delinquent properties; support targeted efforts to stabilize neighborhoods; stimulate residential, commercial and industrial development; all in ways that are consistent with goals and priorities established by this Ordinance, local government partners and other community stakeholders.

Sec. 103-5. Creation and Legal Status of Land Bank.

The County Board hereby establishes the Cook County Land Bank Authority which shall be an agency of and funded by Cook County. All personnel, facilities, equipment and supplies within the Land Bank shall be governed by a Board of Directors as provided herein. The Board of Directors shall be accountable to the President and the County Board; the Land Bank shall be funded by the County Board.

Sec. 103-6. Principal Office.

The principal office of the Land Bank shall be at a location within the geographical boundaries of Cook County, as determined by the Board of Directors.

Sec. 103-7. Title to Land Bank Assets.

Except as otherwise provided in this Ordinance, Cook County shall hold title to all Real Property controlled by the Land Bank.

Sec. 103-8. Tax-exempt Status.

The County declares that the activities of the Land Bank are governmental functions carried out by an instrumentality or political subdivision of the State as described in Section 115 of Title 26 of the United States Internal Revenue Code, or any corresponding provisions of any future tax code. The County also intends the activities of the Land Bank to be governmental functions carried out by a political subdivision of this State, exempt to the extent provided under Illinois law from taxation by this State, including, but not limited to, ad valorem property tax exemption pursuant to the Property Tax Code, 35 ILCS 200/1-1 et seq.

Sec. 103-9. Waiver of Special Assessments.

Upon the request of the Land Bank and for the purposes of fostering the goals and objectives of the Land Bank, the County, as permitted by law, may extinguish special assessments levied by it prior to the date of acquisition by the Land Bank against Real Property controlled by the Land Bank, and may seek to exempt Real Property controlled by the Land Bank from the imposition of special assessments.

Sec. 103-10. Compliance with Law.

The Land Bank shall comply with all applicable federal and state laws, rules, regulations, and orders.
Sec. 103-11. No Third-Party Beneficiaries.

Except as otherwise specifically provided, this Ordinance does not create in any Person, other than the County, and is not intended to create by implication or otherwise, any direct or indirect benefit, obligation, duty, promise, right to be indemnified (such as contractually, legally, equitably, or by implication), right to be subrogated to the County’s rights under this Ordinance, or any other right or benefit.

Sec. 103-12 – 103-16 Reserved.

Division 2. Land Bank Authority Board of Directors and Staff

Sec. 103-17. Cook County Land Bank Board of Directors.

The Land Bank shall be governed by a Board of Directors that shall be appointed by the President, subject to approval by the Cook County Board of Commissioners, within 45 (forty-five) days of the adoption of this Ordinance. Board of Directors shall be residents of Cook County. The Board of Directors shall consist of 13 (thirteen) members.

Sec. 103-18. Appointment of Members.

Candidates for the Board of Directors appointed by the President shall be selected from the following categories.

(a) One (1) Cook County Commissioner to serve as an Ex-Officio Member with voting rights. The Ex-Officio Member shall serve as a liaison between the County Board and the Board of Directors;

(b) Two (2) Suburban Cook County Mayors, Presidents or Village Managers;

(c) One (1) representative from the City of Chicago as recommended by the Mayor of the City of Chicago;

(d) One (1) representative from the Cook County Bureau of Economic Development;

(e) One (1) representative from a community development finance institution;

(f) One (1) representative from the banking community;

(g) One (1) representative from a local or state Realtor Association;

(h) One (1) representative from the non-profit housing development community;

(i) One (1) representative from the commercial/industrial development community;

(j) One (1) representative from the open space community;
(k) One (1) representative from a City of Chicago community organization;

(l) One (1) representative from a Suburban Cook County community organization.

Sec. 103-19  Term of Office.

Except as otherwise provided in this section, the members of the Board of Directors appointed under Section 103-12 shall be appointed for a term of three (3) years.

(a) Ex-Officio Member. The ex-officio member shall be the appointed Cook County Commissioner who shall serve as the ex-officio member for the length of the Commissioner’s term.

(b) The remaining Members. The remaining twelve (12) members of the Board of Directors shall serve terms as follows:

1. For the initial Members,
   a. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2014.
   b. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2015.
   c. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2016.
   d. Three (3) of the Members, subject to the approval of the County Board, shall serve a term that expires on January 1, 2017.

2. Thereafter, the Members other than the ex-officio member appointed shall serve a term of three (3) years.
   a. Each Member, whether initial or subsequent, shall serve until a successor is appointed.
   b. Any Member who is appointed to fill a vacancy, other than a vacancy caused by the expiration of the predecessor’s term, shall serve until the expiration of his or her predecessor’s term.

3. Other than the Ex-Officio Commissioner, a Member may not serve more than two (2) consecutive full terms.

Sec. 103-20.  Chairperson/Members of the Board of Directors.

(a) The Board of Directors shall select the initial Chairperson of the Board from among the initial members. The Chairperson shall serve one two (2) year term as Chairperson and, thereafter, the Board of Directors shall annually elect a Chairperson from among the members.
1. The Chairperson shall preside at meetings of the Board of Directors, and is entitled to vote on all matters before the Board of Directors.

2. A Member may be elected to serve successive terms as Chairperson.

(b) The Board of Directors may appoint from its Members, a Member to serve as the Land Bank secretary and appoint such additional officers from its Members as it may deem appropriate.

Sec. 103-21. Removal.

A Member may be removed by the President of the Cook County Board prior to the expiration of the Member’s term of appointment for good cause. Good cause includes inefficiency, neglect of duty, malfeasance, or any cause which renders the member unfit for the position or unable to perform the duties of the position. The President shall provide written notice to that Member, the Director and the County Board of the removal of that Member from the Board of Directors; such notice shall state the specific grounds which constitute cause for removal. The Member, in receipt of such notice, may request to appear before the County Board and present reasons in support of his or her retention. Thereafter, the County Board shall vote upon whether there are sufficient grounds to remove that Member from office. The President shall notify the Member of the final action of the County Board.

Sec. 103-22. Vacancies.

Any vacancy on the Board of Directors caused by death, resignation, disqualification, or removal shall be filled by the President as soon as practicable, but not to exceed 60 days following the occurrence of the vacancy. The vacancy shall be filled for the remainder of the unexpired term in the same manner as the original appointment. Expired terms shall be filled by the President within 60 days of the term’s expiration in the same manner as the original appointment.

Sec. 103-23. Meetings.

The Board of Directors shall conduct its first meeting no later than sixty (60) days after the appointment of the Board of Directors. The place, date, and time of the Land Bank meetings shall be determined at the discretion of the Board of Directors. All meetings of the Board of Directors shall comply with the Illinois Open Meetings Act, 5 ILCS 120/1 et seq. (the "OMA").


The Board of Directors shall adopt bylaws, procedures and policies consistent with the provisions of this Ordinance within 120 days from the first meeting of the Board of Directors.

Sec. 103-25. Quorum and Voting.

A quorum shall be necessary for the transaction of any business by the Board of Directors. A majority of the Members of the Board of Directors shall constitute a quorum. The Board of Directors shall act by a majority vote of the Members at a meeting at which a quorum is present, except as otherwise provided in this Ordinance. Presence for both quorum and voting at a Land Bank shall be articulated by the Board of Directors in its bylaws or procedures in a manner consistent with the OMA.
Sec. 103-26. Records of Meetings.

Minutes of all meetings of the Board of Directors and its Committees shall be made and maintained as required by the OMA.

Sec. 103-27. Board of Directors Responsibilities.

The Board of Directors shall:

(a) ensure that all personnel matters are conducted free from any political interference and in accordance with the provisions of the Supplemental Relief Order and Consent Decree established in the federal civil litigation filed in the Northern District of Illinois under Case No. 69 C 2145 and titled Shakman, et al. v. Democratic Organization, et al. and all applicable laws;

(b) ensure that all operations including contractual matters are conducted free from any political interference; and

(c) ensure efficiency in service delivery and sound fiscal management of all aspects of the Land Bank including the collection of all revenues from all sources;

Sec. 103-28. Board of Directors Actions.

The Board of Directors shall do all of the following not inconsistent with Illinois law:

(h) adopt, amend and/or repeal rules and policies and procedures governing the Board of Directors and its actions and meetings, and adopt, amend and/or repeal policies and procedures to implement day-to-day operation of the Land Bank, including policies governing any staff of the Land Bank;

(i) elect additional officers, including, but not limited to, initial officers who shall be elected at the first meeting of the Board of Directors, in accordance with the bylaws;

(j) provide for a system of accounting;

(k) adopt or amend the Land Bank’s budget to submit annually to the Cook County Board of Commissioners for approval and adoption in a time frame mandated by the Cook County Budget Director;

(l) adopt, amend and/or repeal policies and procedures for contracting and procurement which must be consistent with the provisions set forth in the County’s Code; provided however, that approval of the County Board or County Procurement Officer is not required for procurement or contracts authorized by the Land Bank and the Board of Directors will act in place of the County Board in any contract, bylaws or agreement with the County which requires the approval or other action of the County Board unless expressly prohibited otherwise in this chapter and until such time as the Board of Directors adopts its own rules, regulations or procedures with regard to procurement and contracts, the existing provisions of the Cook County Code pertaining to Procurement and Contracts shall apply.
(m) commission, collect, and receive data from public, private, professional and volunteer sources to compile an inventory and analysis of desirable properties for acquisition;

(n) establish banking arrangements for the Land Bank as per Sec. 103-58 of this Ordinance.

(o) organize and reorganize the executive, administrative, clerical and other departments of the Land Bank and fix the duties, powers and compensation of all employees, agents and consultants of the Land Bank as per Sec. 104-32 of this Ordinance

Sec. 103-29. Fiduciary Duty.

The Members of the Board of Directors are under a fiduciary duty to conduct the activities and affairs of the Land Bank in the best interests of the residents of Cook County, including the safekeeping and use of all Land Bank monies and assets. The members of the Board of Directors shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

Sec. 103-30. Compensation.

The Members of the Board of Directors shall receive no compensation for the performance of their duties. A Member may engage in private or public employment, or in a profession or business, except to the extent prohibited by Illinois law or County ordinance. The Land Bank may reimburse members of the Board of Directors for actual and necessary expenses incurred in the discharge of their official duties as provided by the Board of Directors.

Sec. 103-31. Executive Director.

The Board of Directors shall be authorized to retain the professional services of an individual to perform the duties of an Executive Director on a contractual basis with the advice and consent of the President; the Executive Director shall not be an employee of the Land Bank or County. The Director shall administer the Land Bank in accordance with the operating budget approved by the Cook County Board of Commissioners, general policy guidelines established by the Board of Directors, other applicable governmental procedures and policies, and this Ordinance. The Director shall be responsible for the day-to-day operations of the Land Bank, the control, management, and oversight of the Land Bank’s functions, and supervision of all Land Bank contractual agreements. All terms and conditions of the Director’s service shall be specified in a written contract between the Director and the Board of Directors. The Director may be removed by the President of the Cook County Board or the Board of Directors for good cause, prior to the expiration of the Director’s contract. Good cause includes inefficiency, neglect of duty, malfeasance, or any cause which renders the Director unfit or unable to perform the scope of work. The Board of Directors may delegate to the Director any powers or duties it considers proper, under such terms, conditions and to the extent that the Board of Directors may specify.

Sec. 103-32. Staffing Services.

(a) The Board of Directors may approve contracts for staffing as requested by the Executive Director that are deemed necessary to carry out the duties and responsibilities of the Land Bank and in
accordance with the policies and procedures established by the Board. Such staff shall be retained pursuant to contracts entered into in accordance with the procurement rules established by the Board.

(b) Should the Board of Directors, elect to have employees, any staff employed by the Board of Directors for the Land Bank not otherwise retained through the Board of Directors procurement rules shall be recruited or employed via the County’s employment plan and be deemed County employees.

Sec. 103-33. Ethics and Oversight.

The Board of Directors shall be subject to the Cook County’s ethics ordinance. The Land Bank and its Director, Board of Directors, employees and contractors shall be subject to the Cook County Ethics Ordinance and the Office of the Independent Inspector General Ordinance.

Sec. 103-34. Indemnification.

(a) The County shall defend and indemnify the Land Bank and its Members the Members Board of Directors with respect to all claims or judgments arising out of their activities as Members with respect to all negligence claims, and claims or judgments arising out of Land Bank activities performed on behalf of the County.

(b) The County shall not be obligated to indemnify the Land Bank or Member for:

(1) Punitive damages or liability arising out of conduct which is based upon willful or wanton conduct.

(2) Conduct which is outside of the scope of the Land Bank authority.

(3) Any settlement or judgment in which the County did not participate.

(4) The defense of any criminal or disciplinary proceeding.

(c) To be eligible for defense and indemnification, the Land Bank or Member shall be obligated to:

(1) Notify, within five days of receipt, the Cook County Department of Risk Management and the Civil Actions Bureau of the Cook County State's Attorney's Office of any claim made against the Member or Land Bank and deliver all written demands, complaints and other legal papers, received by the practitioner with respect to such claim to the Department of Risk Management.

(2) Cooperate with the State's Attorney's Office in the investigation and defense of any claim against the County or any Member, including, but not limited to, preparing for and attending depositions, hearings and trials and otherwise assisting in securing and giving evidence.

(3) Promptly notify the Cook County Department of Risk Management and the Civil Actions Bureau of the Cook County State's Attorney's Office of any change in the Member's address or telephone number.
(d) All actions shall be defended by the Cook County State's Attorney. Decisions to settle indemnified claims shall be made by the County or the State's Attorney's Office, as delegated by the County, and shall not require the consent of the indemnified Member. If a Member declines representation by the State's Attorney's Office, the County shall have no obligation to defend or indemnify the Member.

Sec. 103-35 – 103-40 Reserved

Division 3. General Powers of Land Bank

Sec. 103-41. General Powers.

The County, to the full extent of its constitutional and statutory authority, confers upon the Land Bank the authority to do all things necessary or convenient to implement the purposes, objectives, and provisions of this Ordinance, or the purposes, objectives, and powers granted to the Land Bank by any federal, state or local government unit, consistent with the County's Annual Appropriation Ordinance, including, but not limited to, the following:

a) to adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business;

b) to acquire by purchase, donation, or other transfers and to hold, lease, manage, and dispose of Real Property of every kind and character, or any interest therein, in furtherance of the public purposes of the Land Bank;

c) to discharge and extinguish Real Property taxes owed to the County or to a Party, pursuant to an Agreement with such Party, that encumber Real Property owned by the County through the Land Bank, as permitted by the Property Tax Code, 35 ILCS 200/1-1 et seq., or other applicable law;

d) to pay any tax or special assessment due on Real Property acquired or owned by the Land Bank;

e) to acquire, accept, or retain equitable interests, security interests, or other interests in any Real Property or other fixtures by loan agreement, note, mortgage, deed to secure debt, trust deed, security agreement, assignment, pledge, conveyance, contract, lien, or other consensual transfer in order to secure the repayment of any moneys loaned or credit extended by the Land Bank;

f) borrow money from private lenders, from cities or counties, from the state or from federal government funds, subject to the approval of the County Board, to further or carry out the Land Bank's public purpose by executing leases, trust indentures, trust agreements, agreements for the sale notes, loan agreements, mortgages, deeds to secure debt, trust deeds, security agreements, assignments, and such other agreements or instruments as may be necessary or desirable, in the judgment of the Land Bank, to evidence and to provide security for such borrowing.

g) to make application directly or indirectly to any federal, state, county, or municipal government or agency or to any other source, whether public or private, for loans, grants, gifts, guarantees, labor, or other aid or financial assistance in furtherance of the Land Bank's public purpose and to accept and use the same upon such terms and conditions as are prescribed by such federal, state, county, or municipal government or agency or other source;
h) to enter into agreements with the federal government or any agency thereof to use the facilities or services of the federal government or any agency thereof in order to further or carry out the public purposes of the Land Bank;

i) to extend credit or make loans to any Person subject to limitations established by the County Board, for the costs of any Land Bank projects or any part of the costs of any Land Bank projects which credit or loans may be evidenced or secured by loan agreements, notes, mortgages, deeds to secure debt, trust deeds, security agreements, assignments, or such other instruments, or by rentals, revenues, fees, or charges, upon such terms and conditions as the Land Bank shall determine to be reasonable in connection with such extension of credit or loans, including provision for the establishment and maintenance of reserve funds, and, in the exercise of powers granted by the County through this Ordinance in connection with any Land Bank projects, the Land Bank shall have the right and power to require the inclusion in any such loan agreement, note, mortgage, deed to secure debt, trust deed, security agreement, assignment, or other instrument such provisions or requirements, including but not limited to: guarantee any obligations, insurance, construction, use, operation, maintenance, and financing and such other terms and conditions, as the Land Bank may deem necessary or desirable;

j) as security for repayment of any note, or other obligations of the Land Bank, to pledge, mortgage, convey, assign, hypothecate, or otherwise encumber any property of the Land Bank, including, but not limited to, Real Property, fixtures, and revenues or other funds, and to execute any lease, trust indenture, trust agreement, agreement for the sale of the Land Bank’s notes, or other obligations, loan agreement, mortgage, deed to secure debt, trust deed, security agreement, assignment, or other agreement or instrument as may be necessary or desirable, in the judgment of the Land Bank, to secure any such notes, or other obligations, which instruments or agreements may provide for foreclosure or forced sale of any Real Property of the Land Bank upon default in any obligation of the Land Bank, either in payment of principal, premium, if any, or interest or in the performance of any term or condition contained in any such agreement or instrument;

k) to receive and administer gifts, grants, and bequests of money and Real Property consistent with the purpose of the Land Bank;

l) to use any Real Property or fixtures or any interest therein or to rent, license or lease such Real Property to or from others or make contracts with respect to the use thereof, or to sell, lease, exchange, transfer, assign, pledge, or otherwise dispose of or grant options for any such Real Property in any manner as it deems to be in the best interests of the Land Bank and the public purpose thereof;

m) to procure insurance or guarantees from the State Legislature or federal government of the payments of any debts or parts thereof incurred by the Land Bank, and to pay premiums in connection therewith;

n) to procure, if required, insurance against losses in connection with the Real Property, assets, or activities of the Land Bank;
o) to enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers, including, but not limited to, an Agreement with a Party for the joint exercise of powers. An Agreement with a Party may include contracts for the performance of services by a Party on behalf of the Land Bank or by the Land Bank on behalf of a Party;

p) to enter into partnerships, joint ventures, and other collaborative relationships with municipalities and other public and private entities for the ownership, management, development, and disposition of Real Property;

q) to enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers, including, but not limited to, agreements with a Party regarding the disposition of Land Bank properties located within their boundaries;

r) to finance (by loan, grant, lease, or otherwise), refinance, construct, erect, assemble, purchase, acquire, own, repair, remodel, rehabilitate, modify, maintain, extend, improve, install, sell, equip, expand, add to, operate, or manage Real Property or rights or interests in Real Property, and to pay the costs of any such project from the proceeds of revenue bonds, loans by persons, corporations, partnerships, whether limited or general, or other entities, all of which the Land Bank is authorized to receive, accept, and use;

s) to fix, charge, and collect rents, fees, licenses and charges for the use of Real Property of the Land Bank and for services provided by the Land Bank;

t) to grant or acquire a license, easement, lease (as lessor or lessee), or option with respect to Real Property of the Land Bank;

u) to enter into contracts with nonprofit community land trusts, including, but not limited to, long-term lease contracts;

v) to contract for goods and services and engage personnel as necessary, to be paid from the funds of the Land Bank. The Board shall determine the qualifications, duties, and compensation of those it contracts with and employs;

w) to organize and reorganize the executive, administrative, clerical, and other departments of the Land Bank and to fix the duties, powers, and compensation of all employees, agents, and consultants of the Land Bank;

x) to remediate environmental contamination on any Real Property held by the Land Bank;

y) to acquire, hold and manage property pursuant to this Ordinance;

z) to dispose of property pursuant to this Ordinance; and;

aa) to do all other things necessary or convenient to achieve the objectives and purposes of the Land Bank or other laws that relate to the purposes and responsibilities of the Land Bank.
Sec. 103-42. No Waiver of Governmental Immunity.

No provision of this Ordinance is intended, nor shall it be construed, as a waiver by the County of any governmental immunity provided under any applicable law.

Sec. 103-43. Non-Discrimination.

The Land Bank shall comply with all applicable laws prohibiting discrimination.

(c) The Land Bank shall not provide services in a manner that discriminates against an individual because of the actual or perceived status, practice, or expression of that person's race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, gender identity or housing status; or the actual or perceived association with such a person.

(d) The Land Bank shall not fail or refuse to hire, recruit, promote, demote, discharge, or otherwise discriminate against an individual with respect to employment, compensation, or a term, condition, or privilege of employment because of the actual or perceived status, practice, or expression of that person's race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, gender identity or housing status; or the actual or perceived association with such a person.

Sec. 103-44 – 103-48 Reserved.

Division 4. Real Property Acquisition, Management and Disposition

Sec. 103-49. Acquisition of Real Property.

(a) The Land Bank may acquire Real Property or rights or interests in Real Property by gift, bequest, transfer, exchange, foreclosure, purchase, purchase contracts, lease purchase agreements, installment sales contracts, land contracts, tax sale, scavenger sale or otherwise, on terms and conditions and in a manner the Land Bank considers proper.

(b) The Land Bank may acquire any property conveyed to it by the State of Illinois, a foreclosing governmental unit, a unit of local government, an intergovernmental entity created under the laws of the State of Illinois, or any other public or private person, including, but not limited to, property without clear title.

(c) All deeds, mortgages, contracts, leases, purchases, or other agreements regarding property of the Land Bank, including agreements to acquire or dispose of real property, shall be approved by and executed by the Land Bank, in the name of the County.

(d) The Land Bank shall have the right to purchase properties, in the name of the County, at tax sales conducted in accordance with the Property Tax Code, 35 ILCS §200/1-1 et seq. The Land Bank may tender a bid at a tax sale that is a credit bid, consisting of the obligation of the Land
Bank to satisfy the component parts of the bid by payments to the respective political subdivisions.

(e) The Land Bank shall have the right to make offers to purchase properties that are subject to a listing agreement; said offer or purchase of a property by the Land Bank that is subject to a listing agreement shall not extinguish any legal rights existing under the listing agreement.

Sec. 103-50. Execution of Legal Documents Relating to Property.

All deeds, mortgages, contracts, easements, leases, licenses, franchises, purchases, covenants or other agreements regarding Real Property of the Land Bank, including agreements to acquire or dispose of Real Property, shall be executed in the name of the County by the Land Bank and approved in accordance with the bylaws of the Land Bank.

Sec. 103-51. Holding and Managing Property.

The Land Bank may control, manage, maintain, operate, repair, lease as lessor, license, secure, prevent the waste or deterioration of, demolish, and take all other actions necessary to preserve the value of the Real Property it controls on behalf of the County. The Land Bank shall maintain all such Real Property held by the Land Bank in accordance with applicable laws and codes. Such Real Property shall be inventoried and classified by the Land Bank according to suitability for use. The inventory shall be maintained as a public record and shall be filed electronically and in the principal office of the Land Bank.

Sec. 103-52. Property Disposition.

On terms and conditions, and in a manner and for an amount of consideration the Land Bank considers proper, fair, and reasonable, including for no monetary consideration if appropriate, the Land Bank may convey, sell, transfer, exchange, lease as lessor, or otherwise dispose of Real Property or rights or interests in Real Property which the Land Bank controls and the County holds a legal interest to any public or private Person. The transfer and use of property under this section and the exercise by the Land Bank of powers and duties under this Ordinance shall be considered a necessary public purpose and for the benefit of the public.

Sec. 103-53. Criteria for Conveyance.

Real Property shall be conveyed by the Land Bank in accordance with this Ordinance and according to criteria determined in the discretion of the Board and contained in the policies and procedures adopted by the Board. The Board may adopt policies and procedures that set forth priorities for a transferee’s use of Real Property conveyed by the Land Bank, including, but not limited to, affordable housing.

Sec. 103-54. Transactions.

(a) Transactions shall be structured in a manner that permits the Land Bank to enforce contractual agreements, real covenants, and the provisions of any subordinate financing held by the Land Bank pertaining to development and use of the Real Property.
(b) Notwithstanding any other provision of this Ordinance, any transaction involving property located within a municipality with a population over 100,000 shall only be made pursuant to an agreement between that municipality and the land bank.

Sec. 103-55. Disposition of Proceeds.

Any proceeds from the sale or transfer of Real Property by the Land Bank shall be retained, expended, or transferred by the Land Bank as determined by the Board in the best interests of the Land Bank and in accordance with applicable laws and Agreements.

Division 5. Intergovernmental Agreements

Sec. 103-56. Intergovernmental Agreements.

(a) The Board of Directors may negotiate and propose Agreements necessary, incidental, or convenient to the performance of its duties and the exercise of its powers with a local unit of government located in whole or in part within Cook County, subject to the approval of the County Board. Such an Agreement may include, but are not limited to, contracts for the joint exercise of powers, contracts for the ownership, management, development, and disposition of Real Property, or contracts for the performance of services by a local unit of government on behalf of the Land Bank or by the Land Bank on behalf of a local unit of government.

(b) The parties to the intergovernmental agreements shall agree that no party to an intergovernmental agreement shall be responsible, in whole or in part, for the acts of the employees, agents, and servants of any other party, whether acting separately or in conjunction with the implementation of an Agreement. The parties shall only be bound and obligated under an Agreement as expressly agreed to by each party.

(c) All agreements shall in all respects be interpreted, enforced, and governed under the laws of the State of Illinois without regard to the doctrines of conflict of laws. The language of all parts of an Agreement shall in all cases be construed as a whole according to its plain and fair meaning, and not construed strictly for or against any Party.

Division 6. Books, Records, Finances and Expenditures

Sec. 103-58. Land Bank Records.

The Land Bank shall keep and maintain at the principal office of the Land Bank all documents and records of the Land Bank. The records of the Land Bank, which shall be available to the public, shall include, but not be limited to, a copy of this Ordinance, the Land Bank’s bylaws, and any agreements, along with any amendments thereto. The records and documents shall be maintained and shall be delivered to any successor entity.

Sec. 103-59. Financial Statements and Reports.

The Land Bank shall cause to be prepared, at the Land Bank’s expense, audited financial statements (balance sheet, statement of revenue and expense, statement of cash flows, and changes in fund balance) on an annual basis. Such financial statements shall be prepared in accordance with
generally accepted accounting principles and accompanied by a written opinion of an independent certified public accounting firm.

Sec. 103-60. Annual Budget.

(a) The Land Bank shall prepare an annual budget in a manner and under a time frame mandated by the Cook County Budget Director.

(b) For Fiscal Year 2014 and each Fiscal Year thereafter, the Board of Directors shall recommend, approve and submit an annual budget to be included in the President's Executive Budget Recommendation for approval by the County Board.

(c) The obligations and expenditures of the Board of Directors shall conform to the County's Annual Appropriation Ordinance; provided that the County Board retains the authority to impose additional limitations. Any commitment, contract or other obligation entered into by the Board in derogation of this Section shall be voidable by the County Board.

Sec. 103-61. Deposits and Investments.

The Land Bank shall deposit funds of the Land Bank in a special fund to be held by the Treasurer of the County, to be designated as the "Land Bank Fund" and to be expended exclusively for the operation of the Land Bank.

Sec. 103-62. Disbursements.

Expenditures of funds from the Land Bank Fund shall be in accordance with guidelines established by the Board of Directors.

Sec. 103-63. Performance Objectives.

Each Fiscal Year, the Director, or other individual designated by the Board of Directors, shall prepare, for review and approval by the Board of Directors, objectives for the Land Bank's performance.

Sec. 103-64. Annual Report.

(a) The Board of Directors shall submit to the President and the County Board, within six months after the end of each Fiscal Year, a report which shall set forth a complete and detailed operating and financial statement of the Land Bank during such Fiscal Year.

(b) Included in the report shall be any recommendations for additional legislation or other action which may be necessary to carry out the mission, purpose and intent of the Land Bank.

Sec. 103-65. Management of Funds.

The Director, or other individual designated by the Board of Directors, shall be authorized to make deposits and withdraw funds from the Land Bank Fund for the management of sales proceeds, revenue, and other Land Bank funds as authorized by the Board of Directors. Standard accounting procedures shall be used in the management of accounts and approved by the Cook County Comptroller.
Sec. 103-66. Authorized Expenditures.

The Land Bank shall in its sole discretion and within its budget, expend such funds as necessary to carry out the powers, duties, functions, and responsibilities of a land bank under this Ordinance.

Division 7. Dissolution, Distribution of Assets

Sec. 103-67. Dissolution.

Upon determining that the purposes of the Land Bank have been completed and that there is no longer a need for the Land Bank’s continued existence, the Board of Commissioners may repeal this Ordinance and dissolve the Land Bank, provided however that the effective date of any such repeal shall provide sufficient time for the Land Bank to carry out the provisions set forth in Sec. 103-64.

Sec. 103-68. Distribution of Assets.

As soon as possible after notice of the repeal of this Ordinance, the Land Bank shall finish its affairs as follows:

(a) all of the Land Bank’s debts, liabilities, and obligations to its creditors and all expenses incurred in connection with the termination of the Land Bank and distribution of its assets shall be paid first; and

(b) the remaining Real Property and personal property owned by the Land Bank, if any, shall be distributed to any successor entity, subject to approval by the County. In the event that no successor entity exists, the remaining Real Property and personal property, and other assets of the Land Bank, shall become assets of the County, unless provided otherwise in any applicable Agreements.

Division 8. Miscellaneous

Sec. 103-69. Interpretation of Ordinance.

All powers granted to the Land Bank under this Ordinance shall be interpreted broadly to effectuate the intent and purposes of this Ordinance and not to serve as a limitation of powers.

Sec. 103-70. Severability of Provisions.

The invalidity of any clause, sentence, paragraph, subdivision, section, or portion thereof, shall not affect the validity of the remaining provisions of this Ordinance.

Sec. 103-71. Terminology.

All terms and words used in this Ordinance, regardless of the number, are deemed to include any other number as the context may require.

Effective date: This ordinance shall be effective immediately upon approval and adoption.
Chairman Daley noted that Commissioner Gainer has submitted letters of support from various organizations, and requested that they be entered into the record (included here as Attachment A). Chairman Daley then asked the Secretary of the Board to call upon the registered public speakers, in accordance with Cook County Code, Sec. 2-107(dd).

1. Honorable Karen Yarborough, Cook County Recorder of Deeds
2. Dory Rand, Woodstock Institute
3. MarySue Barrett, Land Bank Advisory Committee Chair/Metropolitan Planning Council
4. Brian Bernardoni, Illinois/Chicago Association of Realtors
5. Calvin Holmes, Chicago Community Loan Fund
6. Rafael Leon, Chicago Metropolitan Housing Development Corporation
7. Will Towns, Urban Land Institute/University of Chicago
8. Herbert Fisher, Attorney at Law
9. Gloria Warner, Action NOW
10. David McDowell, Southwest Organizing Project
11. Kim Jackson, Executive Director, LCDC
12. Diane Limas, Albany Park Neighborhood/Sweet Home Chicago Coalition
13. Bob Borchardt, Harvest Moon Farms
14. Julie Dworkin, Chicago Coalition for the Homeless
15. Albert C. Hanna, Attorney at Law
16. Sharon Louis, South Shore Sustainability Collaborative
17. Michael Hoadley, FEWZ
18. Willie JR Fleming, Chicago Anti-Eviction Campaign
19. Maria Luisa August, Sweet Home Chicago Coalition
20. Mark Carter, Concerned Citizen

Commissioner Gainer, seconded by Commissioner Murphy, moved to approve Communication No. 321274, as amended by substitution. Commissioner Beavers called for a roll call, the vote of yeas and nays being as follows:

Roll Call on Motion to Approve the Proposed Substitute Ordinance (Communication No. 321274)

Yea: Chairman Daley, Commissioners Beavers, Collins, Fritchey, Gainer, Garcia, Gorman, Murphy, Reyes, Schneider, Silvestri, Vice Chairman Sims, Steele and Tobolski (14)

Nay: None (0)

Absent: Commissioners Butler, Goslin and Suffredin (3)

The motion to approve the Proposed Substitute Ordinance in Communication No. 321274 carried, and the Cook County Land Bank Ordinance was approved and adopted, as amended by substitution.
Commissioner Gainer, seconded by Commissioner Silvestri, moved to adjourn. The motion carried and the meeting was adjourned.

YOUR COMMITTEE RECOMMENDS THE FOLLOWING ACTION WITH REGARD TO THE MATTER NAMED HEREIN:

Communication Number 321274

Approved As Substituted

Respectfully submitted,
Committee on Finance Committee

[Signature]
John P. Daley, Chairman

Attest:

[Signature]
Matthew B. DeLeon, Secretary

*A video recording of this meeting is available on the Office of the Secretary to the Board’s web site on the Video Page at http://blog.cookcountyil.gov/secretarytotheboard/county-board-proceedings/county-board-video-and-audio/
MEMORANDUM

TO:       Cook County Board of Commissioners
FROM:     Bridget Gainer, Commissioner Tenth District
RE:       Letters of Support
DATE:     January 15, 2013

Attached, please find letters of support for the passage of the Cook County Land Bank Ordinance from the following:

Chase Bank
Bank of America
The Chicago Community Trust
Chicago Urban League
Metropolitan Planning Council
West Central Municipal Conference
South Suburban Mayors & Managers Association
The City of Evanston
City of Blue Island
The Village of Maywood
The Village of Melrose Park
BPI (Business and Professional People for the Public Interest)
Housing Action Illinois
Housing Authority of the County of Cook
Neighborhood Housing Services of Chicago, INC
Spanish Coalition for Housing
Enterprise Community Partners
Center for Cooperative Housing Development
Brinshore Development, LLC
Great Harbor Advisors
KPMG
Mark Wegener
Axia Development
Illinois Development Services Corporation
The Learning Center’s Urban Initiative in Chicago
Oppidan USA
January 11, 2013

Cook County President Toni Preckwinkle
Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of JPMorgan Chase, we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. On October 23, 2012, Chase sponsored and participated in a technical assistance panel hosted by the Urban Land Institute; and we have been heavily engaged with both the City and community partners in discussions around community stabilization.

We, along with other stakeholders, believe a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. Chase has a First Look Program for property donations and discount sales that can assist the land bank in creating affordable housing and productive land usage within the community, encouraging both sustainable homeownership and new rental opportunities. A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance; and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

[Signature]

Ryan A. Crowley
Vice President
Government & Community Partnerships
January 15, 2013

Cook County Board President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street, Room 537
Chicago, IL 60602

To the President Preckwinkle and the members of the Cook County Board of Commissioners,

Bank of America commends Commissioner Gainer and President Preckwinkle's efforts to bring land bank legislation forward in Cook County. As we have worked with communities across the country on blight issues, we have seen the importance of having land banks as part of the tool kit to assist in community revitalization.

Bank of America looks forward to the opportunity to work with you on the implementation of the land bank ordinance.

Sincerely,

Pat Holden
SVP, State and Local Government Relations
Bank of America.
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank

Dear President Preckwinkle and Commissioners,

On behalf of The Chicago Community Trust, I write to express support for the creation of a Cook County Land Bank. The challenges now confronting the County are formidable: approximately 10% of the housing units are vacant; more than 85,000 foreclosure cases are pending in Circuit Court; home foreclosures in the Chicago area jumped 28% in the first half of 2012. The negative impacts of foreclosed and vacant properties on the surrounding area, such as neighborhood decline, increased crime, and decreased property value, are well documented.

Designed to address regional challenges, a Cook County Land Bank would allow the County to counter these negative impacts and spur economic development throughout the region. It would help facilitate the creation of affordable housing and encourage both sustainable homeownership and new rental opportunities. In alignment with the goals of The Trust’s Regional Home Ownership Preservation Initiative, a county-wide land bank would complement and help support the planning goals and frameworks established by local communities throughout the region. It would be an important tool to connect similar County, State and Federal programs together.

By leveraging the scale of the solution to the size of the market, a land bank can go directly to the core problems communities are facing. It is a very innovative and promising approach to help develop new ways to offset the potential consequences of the continuing foreclosure crisis and the hollowing out of neighborhoods and suburban communities in the city and county.

A Cook County Land Bank would leverage on-going economic development and housing investments of The Chicago Community Trust as many in the region work collaboratively to help our neighborhoods and municipalities rebound from the ravages of our nation’s housing crisis. All appropriate tools in this effort are direly needed and merit our support.

Sincerely,

[Signature]

Terry Mazany, CEO
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of The Chicago Urban League, we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle's Land Bank Advisory Board chaired by Mary Sue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Margaret Wooten
Senior Director of Housing
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of the Metropolitan Planning Council, I am writing to express our support for the Cook County Land Bank Ordinance and encourage its speedy passage. As chair of the Land Bank Advisory Committee (LBAC), I am very pleased to see that the LBAC’s recommendations guided the drafting of the ordinance. The LBAC consisted of a diverse representation of legal, civic, government, financial, and real estate experts that deliberated over 90 days to advise you on the potential for a countywide land bank. In addition to the LBAC, a technical assistance panel hosted by the Urban Land Institute—with guidance from national experts and others running land banks in Cleveland, the Twin Cities, and Detroit—inform the ordinance. Recommendations were also received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers—more than 100 stakeholders in all. The process was inclusive and rigorous, affirming that a Land Bank would add economic value to local communities.

MPC urges prompt passage of the ordinance because a Cook County Land Bank is a new tool with enormous potential to streamline redevelopment processes, both to make it easier for municipalities and the private market to move ahead with development plans, and to help the region address the vast number of vacant and abandoned properties. The Land Bank will encourage sustainable homeownership and new rental opportunities, commercial and retail development, and environmental protection by removing barriers to reuse or redevelopment. We also applaud the ordinance for underscoring the importance of the land bank working within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally, can be the thread that connects similar County, State and Federal programs together. By targeting solutions at the size and scale of the problem, and streamlining processes, a Land Bank can solve the core challenges communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse. We urge the Cook County Board of Commissioners to support the passage of this ordinance and we look forward to working in collaboration with the Land Bank as it moves forward.

Sincerely,

Mary Sue Barrett, President

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Ann M. Drake • Vice Chair
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Karen M. Alwood
John W. Baird
Kyle Barnett
Lawrence T. Bourland
Byron Brawer
Carole L. Brown
Todd C. Brown
Christopher B. Burke
Nora Moreno Cargi
Elen Cenahan
Pedro J. Cevallos-Candau
Lester Crown
Jon B. Delhil
Sidney R. Dillad
Derek Douglas
Robert V. Fitzsimmons
James C. Tranchek, Jr.
John S. Gates, Jr.
Linda Goodman
Jacques N. Gordon, Ph.D.
M. Hali Haggard
David Hillel
Lawrence Howe
Bernard Loyo
Mary K. Ludgin
Peter C. Maleck
James E. Mlsn
Lee M. Mitchell
Paul E. Novicki
Robert T. O'Brien
J. Scott Peper
Stephen M. Porrill
Quintin E. Primo, III
Jorge Ramirez
George A. Ranney, Jr.
Matthew R. Rellis
Kevin C. Richardson
Jenn Ruff
Martin Stern
Bruce W. Taylor
Michael A. Thomas
Mary White-Veays
Paul Wolf
President
Mary Sue Barrett • Executive Committee

Executive Advisors
Lauren Auguste
Veloria Water America
Raymond Bahr
Bombardier Transportation
Carol L. Bernick
Polkner Capital Management
Lawrence T. Bourland
Integrity Energy Group
Mirzae Cristan
U.S. Bank
Cris J. Duchossais
The Duchossais Group, Inc.
Colin Dyer
Jones Lang LaSalle
Mitchell S. Feiger
MR Financial Bank, N.A.
Paul S. Firey
Centropoint Properties
Joseph A. Greigoro
PNC
Stephen J. Hegge
Actaria Group, Inc.
Patricia Hemingway
Health Care Service Corp.
Edward R. Hahmberger
Association of American Railroads
Eric Horsheld
Goldman Sachs
Frederick A. Kretholo
Mole incorporated
Matthew Levin
Ann Corporation
Raymond J. Lewis
Ventas, Inc.
David J. Nettercutt
Equity Residential
Robert L. Parkinson, Jr.
Baxter International Inc.
J. Marshall Peck
Inpark Holdings LLC
Thomas Pantanelli
CISA
Judith C. Rice
BMO Harris Bank
Larry D. Richman
The PrivateBank
Jim L. Stanley
PBSCO (Nisource)
Robert A. Sullivan
Fifth Third Bank
Frederick H. Wedel
Northern Trust
Edward J. Wehrman
Winntrust Financial Corporation

Mary Sue Barrett, President

140 South Dearborn
Suite 1400
Chicago, Illinois 60603

P 312 922 5616
F 312 922 5619
metropollanning.org
January 9, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

In behalf of members of the West Central Municipal Conference, we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Richard F. Pellegrino
Executive Director
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of the South Suburban Mayors and Managers Association (SSMMA) I am writing to express support for the Cook County Land Bank Ordinance and to encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all. SSMMA appreciated being involved in all aspects of this stakeholder process.

In addition to serving as SSMMA’s Executive Director I also represent SSMMA on the Board of Directors for the South Suburban Land Bank and Development Authority (SSLBDA). The mission statement for the SSLBDA to facilitate the redevelopment of acquired properties through strategic partnerships with developers, community organizations, lenders, and local governments to improve quality of life, stabilize the tax base, and enhance economic activities that promote sustainable, healthy, and stable communities in a manner consistent with local government plans and priorities.

The Cook County Land Bank is a needed an important partner for both SSMMA and the SSLBDA in our efforts to spur economic development, encourage housing stabilization and spark job creation throughout the region. I applaud the Ordinance for underscoring the role and importance for the Cook County Land Bank to work within the planning goals and framework local communities have established.
In closing, I urge the Cook County Board of Commissioners to support the passage of this Ordinance. SSOMMA and I as a SSLBDA Board of Director look forward to working in collaboration with the Cook County Land Bank as it moves forward.

Sincerely,

Edward W. Paesel
Executive Director
Elizabeth B. Tisdahl
Mayor

January 11, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of City of Evanston I am writing to express our support for the Cook County Land Bank Ordinance and encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

I urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. I also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, I urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Elizabeth Tisdahl
Mayor
January 14, 2013

Cook County President Toni Preckwinkle & Cook County Commissioners
118 N. Clark Street Room 537
Chicago, Ill. 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

I represent the City of Blue Island on the Board of Directors for the South Suburban Land Bank and Development Authority (SSLBDA). I am writing to express support for the Cook County Land Bank Ordinance and to encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and services totaling more than 100 stakeholders.

Land banks allow for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties, depreciating home values and the need for comprehensive planning for rescue. I applaud the Ordinance for underscoring the role and importance for the Cook County Land Bank to work within the planning goals and framework local communities have established.

I urge the Cook County Board of Commissioners to support the passage of this Ordinance and look forward to working in collaboration with the Land Bank as it moves forward.

Sincerely,

[Signature]

Mark L. Miller
TIF Administrator
Project Coordinator
City of Blue Island
VILLAGE MANAGER’S OFFICE

January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Village of Maywood we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

William P. Barlow, III
Village Manager
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of the Village of Melrose Park we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by Mary Sue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.
In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Ronald M. Serpico
Mayor
January 14, 2013

Hon. Toni Preckwinkle
President, Cook County Board of Commissioners
& Cook County Commissioners
118 N. Clark Street, Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners:

On behalf of Business and Professional People for the Public Interest (BPI), I offer enthusiastic support for the establishment of a Cook County Land Bank. For the last several years, BPI has supported creation of a Cook County land bank. We believe that the national evidence demonstrates that a land bank can be a critical tool to stabilize neighborhoods hit hard by foreclosure, preserve and create affordable housing, support economic development, and expand local government planning capacity. The County, together with the Land Bank Advisory Committee and the Urban Land Institute Technical Assistance Panel, has made extraordinary progress to carefully analyze and then recommend creation of a county-wide land bank. We urge the County Board to embrace these recommendations and to move forward as quickly as possible.

In neighborhoods throughout the region, thousands of properties are sitting vacant—sometimes for years—lowering neighbors’ property values, weakening the tax base, breeding crime, and imposing enormous costs on local governments and neighbors. Land banks expand the capacity of private and public sector actors to address these challenges and return the properties to productive use. And, with a range of County, State and Federal programs available to address these challenges, a county-wide land bank can also help to ensure that they are well coordinated and most effective. A land bank can also help to attract additional private, philanthropic, non-profit and public resources to take on this critically important work.

The President, Commissioner Gainer and the full Board deserve great credit for demonstrating leadership on these vital issues. We look forward to working with the land bank and the County as they take on some of the region’s greatest challenges.

Sincerely,

Adam Gross
Director, Affordable Housing
January 15, 2013

Cook County President Toni Preckwinkle & Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Housing Action Illinois, I am writing to express our support for the Cook County Land Bank Ordinance, and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally, will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing: vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Sharon K. Legenza
Executive Director
January 15, 2013

Cook County President Toni Preckwinkle
& County Commissioners
118 North Clark Street, Room 537
Chicago, Illinois 60602

RE: Support of the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of the Cook County Housing Authority, I would like to express my strong support for the Cook County Land Bank (CCLB), and urge its speedy passage.

I was honored to serve on the Land Bank Advisory Board, chaired by Mary Sue Barrett of the Metropolitan Planning Council. I also have first hand knowledge of the havoc caused by the foreclosure crisis and the vacant and abandoned buildings and parcels that resulted. The CCLB is a strong step towards reversing the negative impacts of this blight.

I urge the passage because a CCLB will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. I also applaud the Ordinance for underscoring the role and importance for the land back to work within the planning goals and framework local communities have established.

A CCLB, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; deprecating home values and the need for comprehensive planning for reuse.

In closing, I urge the Cook County Board of Commissioners to support the passage for this Ordinance and I look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Richard J. Monocchio
Executive Director

Building Communities. Creating Partnerships. Shaping Futures . . . since 1946.
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Neighborhood Housing Services of Chicago, Inc. (NHS Chicago) I am writing to express our support for the Cook County Land Bank Ordinance and to encourage its speedy passage.

NHS Chicago is a nonprofit, neighborhood revitalization organization committed to helping homeowners and strengthening neighborhoods. Neighborhood Lending Services, Inc. (NLS), an NHS-related corporation, is Illinois’ only nonprofit lender for new homebuyers and homeowners. Established in 1975, our mission is to create opportunities for people to live in affordable homes, improve their lives, and strengthen their neighborhoods.

The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. The Cook County Land Bank will specifically benefit the areas in which NHS Chicago works, including communities throughout the region that have been hardest hit by the foreclosure crisis. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; deprecating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Ad Jacob
Executive Director
NHS Chicago
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Spanish Coalition for Housing we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; deprecating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Ofelia Navarro
Executive Director

Visit us on the web: www.sc4housing.org
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Enterprise Community Partners (“Enterprise”) we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

Enterprise is committed to working to create healthy and sustainable communities in Cook County. Since 1982, Enterprise has raised and invested more than $11 billion in equity, grants and loans to help build or preserve nearly 300,000 affordable rental and for-sale homes and create more than 410,000 jobs nationwide. In closing, we believe that the Cook County Land Bank will be an important economic development tool for the region and urge the Cook County Board of Commissioners to support the passage of this Ordinance. We look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Andrew E. Geer
Vice President and Market Leader
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of the Center for Cooperative Housing Development, I am writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. However, we also encourage the inclusion in the Ordinance of specific references to the use of housing cooperatives as a tool for achieving affordable housing planning goals. In spite of their historic success in creating stable ownership communities, housing cooperatives tend to be missing for the public dialogue regarding housing solutions. We fear that without including affirmative references to the housing cooperative model in the Ordinance, that the normal momentum toward single family home and apartment development will dominate execution strategies.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage sustainable homeownership. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Larry J. Robinson
President
January 10, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Brinshore Development, L.L.C. we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council and which I was a member, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Very truly yours,

Richard Sciotrino
President
January 13, 2013

Great Harbor Advisors
3500 N. Lake Shore Drive
Chicago, IL 60657

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Great Harbor Advisors we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by Mary Sue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Karen S. Butler
President
January 15, 2013

Cook County President Toni Preckwinkle  
& Cook County Commissioners  
118 N. Clark Street Room 537  
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners:

I am writing to express support for the Cook County Land Bank Ordinance and encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

I urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. I also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; deprecating home values and the need for comprehensive planning for reuse.

In closing, I urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Very truly yours,

KPMG LLP

Kathy Hopinkah Hannan  
National Managing Partner,  
Diversity and Corporate Responsibility
January 11, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

I am writing to express my support for the Cook County Land Bank Ordinance and to encourage its speedy passage. The ordinance was crafted based on the recommendations from the Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

I urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. I also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; depreciating home values and the need for comprehensive planning for reuse.

In closing, I urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Thank you for your work in this area and for your service to our community.

Sincerely,

[Signature]

2205 Beechwood Avenue | Wilmette, Illinois 60091
312.961.4804 | mark.wegener@comcast.net
January 15, 2013
Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Axia Development, Inc., we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

We urge the passage because a Cook County Land Bank will spur economic development, encourage housing stabilization and spark job creation throughout the region. The land bank allows for the creation of affordable housing and will encourage both sustainable homeownership and new rental opportunities. We also applaud the Ordinance for underscoring the role and importance for the land bank to work within the planning goals and framework local communities have established.

A Cook County Land Bank, designed to address vacant and abandoned buildings regionally will be the thread that connects similar County, State and Federal programs together. By leveraging the scale of the problem to the size of the market, a land bank can go directly to the core problems communities are facing; vacant and abandoned properties; deprecating home values and the need for comprehensive planning for reuse.

In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Sincerely,

Stephen M. Porras
President
January 15, 2013

Cook County President Toni Preckwinkle
& Cook County Commissioners
118 N. Clark Street Room 537
Chicago, IL 60602

Re: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of Illinois Development Services Corporation we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

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In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Very Truly Yours,

Anthony B. Bruno
President
January 14, 2013

Re: Proposed Cook County Land Bank Ordinance

Dear President Preckwinkle and Cook County Commissioners,

I would like to submit comments/ideas on behalf of Angelic Organics Learning Center and the Advocates for Urban Agriculture (AUA), a coalition of Chicagoland practitioners. AUA’s members grow food in backyards, on vacant parcels of land, in former industrial and commercial buildings, and at many other sites large and small throughout Chicago and Cook County. Some are operating small food enterprises, some job training and workforce development programs, others school and educational programs, and yet more are growing for their own families and neighbors.

The urban gardening and farming social movement and enterprise/job sectors are growing quickly. Small urban growers seek land and buildings where their farm enterprises can be incubated while they enhance their skills and develop their products and markets. They then need affordable land where they can make capital investments and improvements for growing food and other horticultural and related products -- and they need those investments protected, with ability to sell the improvements (but not necessarily the land) to another grower in the future. Community groups, churches, and schools can grow large quantities of good food and provide excellent skills training and programs for many people on vacant urban and peri-urban land, but need help accessing, remediating, and holding long term tenure on land that will remain affordable.

The Learning Center and others among our AUA peers, including the Chicago Botanic Garden’s Windy City Harvest program, are developing urban farm enterprise incubator sites on vacant land owned by the City and the County. Significant public and private funds are being invested to remediate these sites and install infrastructure prior to inviting new urban growers to practice their businesses there. We will need a land trust or land bank mechanism that can accommodate enterprises and revenue generation for these incubator sites and facilities, as well as for the sites and facilities that growers “graduate” to as their enterprises mature.

AUA and partners, including NeighborSpace’s open space land trust, are collaborating to map and survey all of the food producing gardens and farms in the area, and to estimate the total quantity and economic value of food produced during the 2013 growing season. This food represents important supplemental nutrition and also a cost-savings for many individuals and families, and is also increasingly a source of income for urban farmers.

We are enthusiastic about the prospect of a Cook County Land Bank and urge it to address the potential and needs of urban and peri-urban food production, processing, and other economic activities of a healthy local food system, as well as the important community food production and education possible via scaled-up community and school projects, which also seek land access over the long term.

Thanks much for the opportunity to provide comments. We are available to discuss any of these topics further or to answer questions the committee may have related to them. I can be reached via email at martha@learngrowconnect.org, or by phone at 773-344-7198.

Sincerely,

Martha Boyd, Program Director, the Learning Center’s Urban Initiative in Chicago
Co-Chair, Advocates for Urban Agriculture (AUA): www.auachicago.org

Tuesday, January 15, 2013

Cook County President Toni Preckwinkle  
& Cook County Commissioners  
118 North Clark Street Room 537  
Chicago, IL 60602

RE: Support for the Cook County Land Bank Ordinance

Dear President Preckwinkle and Commissioners,

On behalf of OPPIDANusa we are writing to express our support for the Cook County Land Bank Ordinance and we encourage its speedy passage. The ordinance was crafted based on the recommendations from President Preckwinkle’s Land Bank Advisory Board chaired by MarySue Barrett of the Metropolitan Planning Council, a technical assistance panel hosted by the Urban Land Institute, guidance from national experts and from officials running land banks in Cleveland, the Twin Cities, and Detroit. In addition, recommendations were received from real estate and development experts, housing advocates, the City of Chicago, suburbs, banks and servicers - more than 100 stakeholders in all.

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In closing, we urge the Cook County Board of Commissioners to support the passage of this Ordinance and we look forward to working in collaboration with the land bank as it moves forward.

Respectfully submitted,

OPPIDANusa

August P. Mauro  
President

ARCHITECTURAL, ENGINEERING & CONSTRUCTION CONSULTANTS  
1440 W. TAYLOR STREET, CHICAGO, ILLINOIS 60607 312.243.9022 FAX: 312.243.0923  
www.oppidanusa.com
TESTIMONY IN SUPPORT OF:

AN ORDINANCE CREATING THE COOK COUNTY LAND BANK AUTHORITY

January 15, 2013

COOK COUNTY BOARD

COMMITTEE ON FINANCE

Good afternoon. Chairman Daley, Commissioners:

My name is Zeke Morris and on behalf of the 11,000 members of the Chicago Association of REALTORS® we are here to express our support of the land bank proposal before you today. This proposal came together after months of effort not only by the task force that President Preckwinkle appointed but moreover after nearly two years of intense discussions with our Association and we are happy for the opportunity to work in collaboration on such an important issue for many of the members I represent and the communities they work in.

I would like to take a moment to thank President Preckwinkle, Commissioner Bridget Gainer and Mary Sue Barrett specifically for their thoughtful leadership in crafting this important tool.

I am going to ask Brian Bernardoni, Local Governmental Affairs Director for the Illinois Association of REALTORS® to conclude our comments.

Good afternoon. As indicated, my name is Brian Bernardoni, and on behalf of the Cook County members of the Illinois Association of REALTORS®, I want to reiterate our support for the ordinance as presented today. The ordinance will be a critical tool for local governments and the County collectively to work together to take unwanted, underutilized and otherwise forgotten parcels through the powers of the land bank and then clearing their title and positioning them back for the property tax rolls.

This is a departure in part of our state wide position on this matter.

Under inherent home rule powers, as well as under several state laws that already exist, IAR has asserted municipalities have extensive powers with respect to vacant and abandoned property. Many municipalities, including several in Cook County, have robust abandoned property programs.
That stated, with the issue coming to Cook County, the scope of the problem is hard to ignore. Based on 2010 census data, 9.16% of the properties in the County were vacant. In an effort to recapture these properties that have been rejected by the open market, as well as to put properties back onto tax rolls, the prospects of long-term community stabilization, revitalization and potential for spurring private sector investment has driven the debate and furthered our support of this proposal in Cook County.

As it relates to our members, the Association is pleased the Land Bank will have a member of the Illinois Association of REALTORS® on the Board and more importantly that our members who practice in Cook County and their clients will have explicitly stated protections for the legal rights that listing agreements currently hold without change or impact.

The leadership of President Preckwinkle, Commissioner Gainer and many others have exhibited in the past few months show the value of early and meaningful discussions with all parties who can be impacted by big picture proposals and we are grateful for our inclusion. We also appreciate the efforts of Maria Choca Urban, Stephanie Milito, Katie Sabo from Commissioner Gainer’s Office and the Urban Land Institute in listening to and addressing our concerns.

We know there is much work to be done ahead of all of us, and we are intent on being an integral part of this effort.